

As Mutinous as Ever, U.S. Voters Weigh In Incumbents Generally Take Blows, Outcome Leaves Republicans Gleeful

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — Election returns that carried Republican challengers to two governorships and the New York mayor's office were seen on Wednesday as another tremor under the feet of all incumbents and potentially a new drag on the agenda of President Bill Clinton.

The results of the voting on Tuesday in the three most prominent regional contests left Republicans crowing. But many analysts viewed this core message from the voters: Incumbents beware.

Out was David N. Dinkins, the first black mayor of New York, losing to the Republi-

ther budget-cutting and Mr. Clinton's ambitious health-care effort.

This will make the White House's job more difficult as the president promotes a range of new programs and shifts in government policy, said Tom Downey, a former Democratic congressman from New York.

Republicans, however, suggested that there would be no impact on this month's pivotal ratification vote in Congress of the North American Free Trade Agreement. The president sent a legislative package on the trade agreement to Congress on Wednesday.

Mr. Clinton and his aides dismissed the results as essentially based on local issues or demonstrating the same tide of political change that had put Mr. Clinton in office in 1992.

"The American people want change and they want results," the president said.

Mark Gearan, Mr. Clinton's communications director, said he saw nothing in the results "that can dissuade us or remove any ounce of our initiative for pushing forth on the kind of change-oriented agenda the president has laid out."

The Republican victors were quick to capitalize on their success. Mrs. Whitman and Mr. Allen pointedly warned the White House not to press an agenda that focused on new taxes and liberal ideology. The Republican national chairman, Haley Barbour, said, "Our tremendous success this year bodes well for our prospects in 1994."

In general, congressional elections in non-presidential years prove damaging for the party in the White House.

But for the Democratic Party, the fact that the nation's two largest cities, New York and Los Angeles, have fallen to Republicans since Mr. Clinton's election in 1992 is not promising.

The result in New Jersey essentially turned on Mr. Florio's \$2.8 billion state tax increase, which ignited a voter rebellion and illustrated how resistant American voters remain to

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The emotions of both combatants for New York mayor were clear enough. Rudy Giuliani, above with his wife, Donna, and David Dinkins, with his wife, Joyce.



Kathy Williams/The Associated Press

German AIDS Tests Urged for 'Millions' Hospitals Expect Flood of Demands Amid a Widening Blood Scandal

By Rick Atkinson
Washington Post Service

BERLIN — German health officials called Wednesday for millions of patients who have received transfusions or other blood products since the early 1980s to undergo AIDS testing, as a scandal over contaminated blood threatened to trigger panic across Germany.

Hospitals and medical clinics braced for a flood of frightened patients certain to tax the country's AIDS testing capacity.

Medical experts said that millions of surgical patients and their sexual partners could demand to be tested, although the number actually infected by tainted blood is unknown.

Health Minister Norbert Seehofer, whose call for widespread testing was echoed by other public health experts, announced that the screening would be paid for by the national health insurance system.

"I understand the public's concerns and fears," Mr. Seehofer said in Bonn. "The fastest and most foolproof way to re-establish a feeling of security is by undergoing an AIDS test."

Mr. Seehofer said that the cost of the tests would be reimbursed by the government.

"One should not speak of money but necessity," he added.

Out of more than 60,000 people in Germany with the HIV virus, that causes AIDS, 2,305 people are known to have contracted the virus through blood transfusions.

Hospitals were struggling to cope with the need to check through millions of patients' records to identify those treated over the past 10 years with products of UB Plasma, the company that is alleged to have distributed the tainted products. They said only a fifth of patient files made clear where the blood originated.

The German AIDS-Help organization said blanket AIDS testing was irresponsible. "It frightens people unnecessarily," said Hans-Josef Linkens, a group spokesman.

As health officials grappled with Germany's biggest health scandal since World War II, prosecutors disclosed that they were investigating allegations that the pharmaceutical firm knowingly distributed plasma contaminated with the HIV virus.

Prosecutor Norbert Weise said an employee of UB Plasma, based in Koblenz, had told investigators that the company allowed blood products to be shipped to hospitals and other agencies, although screening tests indicated that the blood products were contaminated with the HIV virus.

Four UB Plasma employees, including the company's manager, have been arrested and charged with fraud and "negligent killing." Mr. Weise also said that UB Plasma, which was closed by police last week, had been financially strapped and may have taken shortcuts in its testing procedures to save money.

The firm has been in debt for years and

should have gone into bankruptcy a long time ago," the prosecutor said.

At least 60 hospitals and clinics across Germany received blood products from UB Plasma or several intermediary firms, according to health officials. Some products also were exported to Austria, Saudi Arabia and Greece.

There is no evidence yet that contaminated blood was shipped to the United States. However, a spokesman for the U.S. Embassy in Bonn said there is growing anxiety among the hundreds of thousands of U.S. military personnel and their families who have served in Germany in the last decade, since U.S. hospitals here have traditionally relied to some extent on German blood banks.

The scandal began to unfold last month when Mr. Seehofer revealed that the Federal Health Office in Berlin had kept quiet about 373 cases in which patients received contaminated blood. Most of them dated from 1985, when screening procedures for HIV-tainted blood were adopted, or earlier. Several officials were dismissed and Mr. Seehofer dissolved the health office.

The latest disclosures, however, also involve alleged negligence in screening blood supplies as recently as the early 1990s. According to health officials and German press accounts, UB Plasma apparently failed to test two-thirds of its donated blood supply in some cases.

The full dimensions of the crisis may not be known for weeks or months. Parallels have been drawn to a similar episode in France, where an estimated 1,200 hemophiliacs ultimately died after receiving tainted blood. Several officials were imprisoned. But the German scandal could be broader, officials warned, and is likely to involve a broad cross-section of patients.

For example, a spokesman for the Social Affairs Ministry in the state of Lower Saxony, said Wednesday that "we operate on 120,000 people a year."

"Over 10 years, that means up to 1.2 million people are potentially affected by the call to be screened."

Clinics and hospitals reported a surge in the already heavy volume of calls.

The president of the Federal Physicians Council, Karsten Vilmor, said that the risk of infection by transfusion remains extremely low. Nevertheless, optional surgery has dropped dramatically as blood banks scramble to determine where their blood came from.

Jürgen Vetter, a spokesman for the German AIDS-Help organization in Berlin, said that the call "for general AIDS testing in Germany is irresponsible and reckless."

"We don't have the facilities and we can't provide proper counseling for everyone before they're tested."

Peter Luther, health expert in the Berlin Senate, said officials from throughout Germany will meet in Hamburg on Thursday to look for ways to deal with the crisis.

Deng Verbatim (and Between the Lines, Worry)

By Patrick E. Tyler
New York Times Service

BEIJING — China's top Communist Party officials appeared to be preparing for the death of their paramount leader this week by issuing what is likely to be the final volume of Deng Xiaoping's private speeches. The book includes blunt comments about his role in ordering the Tiananmen Square crackdown and his fear that democracy in China could ignite civil war.

The appearance of these valedictory writings at a time when Mr. Deng's health is reported to

be failing, together with the saturation coverage they are receiving in the official press, reflects what Western diplomats here say is the insecurity of Mr. Deng's successors over China's political stability after his death.

Mr. Deng's death will cut the Chinese Communist Party loose from the political anchor he represents as senior leader. Many Western analysts say they believe that Mr. Deng's death could embolden internal political and economic forces to revolt against party control.

The issuance of the 119 selections of speeches

and recorded talks, most of which have not been previously published, is the most authoritative rendering to date of Mr. Deng's conversations with American presidents, other world leaders and Communist cadres from September 1982 to February 1992, which are the peak years of his power and influence.

In the approach to the Tiananmen crisis of 1989, the book has Mr. Deng explaining to President George Bush, on Feb. 26, 1989, that "stability takes precedence over all China's problems."

"If all one billion of us undertake multiparty elections," he said, "we will certainly run into a full-scale civil war in the style of the cultural revolution," the 10-year period of political turmoil that ended with the death of Mao Zedong in 1976.

"Civil war doesn't necessarily require guns and artillery," Mr. Deng told Mr. Bush. "Fists and wood bats can also be wielded ferociously."

One of the first Americans to visit Mr. Deng three months after the military crackdown on

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Russians Drop Vow Not to Use Atom Arms First

By Serge Schmemmann
New York Times Service

MOSCOW — The Russian defense minister said Wednesday that a new Russian military doctrine abandons a long-standing pledge from the former Soviet regime not to use nuclear weapons first.

General Pavel S. Grachev said that the new doctrine ruled out the use of nuclear weapons against nonnuclear states that had signed the 1968 Nuclear Nonproliferation Treaty, unless they were allied with a nuclear-armed country.

"As for those states that have nuclear weapons, the doctrine says nothing," General Grachev said. He declined to elaborate further, but that omission confirmed reports that Russia would not renege the pledge against the first use of nuclear weapons made in 1982 by Leonid I. Brezhnev, who was then the Soviet leader.

In practice, the change in Moscow's position was less a change in strategy than a change in public stance. Mr. Brezhnev's declaration was perceived at the time as a propaganda gambit aimed at the anti-nuclear movements in the West, and not as a credible policy.

In any case, the United States never made a similar pledge, arguing that the threat of using nuclear weapons was what made them useful as a deterrent.

"They have not really abandoned 'no-first-use,' they only abandoned the statement," said Stephen Meyer, a specialist on Russian armed forces at the Massachusetts Institute of Technology.

"No one there or here ever had a 'no-first-use' policy — only very naive people ever be-

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MALIBU ON FIRE — Flames rising on the hills above Malibu, California, on Wednesday as new blazes raged out of control, destroying at least 200 homes. Page 8.

Dow Jones		Trip Index	
Down	35.77	Up	0.11%
	3,861.87		111.24
The Dollar		The Pound	
New York	1.889	West, close	1.7033
DM	1.4845		1.4725
Yen	107.67		107.75
FF	5.9063		5.9225

Klosk

Yeltsin Wants to Scrap Promised Presidential Vote

MOSCOW (AP) — President Boris N. Yeltsin has backed away from plans to stand for reelection next June, presenting provincial leaders Wednesday with a draft constitution that would allow him to remain in office until 1996.

In September, Mr. Yeltsin promised the early

presidential vote when he dissolved Russia's parliament and called for December elections to a new legislature.

But Mr. Yeltsin circulated a new draft constitution Wednesday to leaders of Russia's restive republics and told them he would approve it

even if they did not. The draft constitution is to be put to a nationwide referendum in December.

A major provision of the draft says Mr. Yeltsin will exercise his duties until his term expires in 1996 — not simply until June.

Daimler Losses Rise, Mercedes Revs Up to Race

By Brandon Mitchener
International Herald Tribune

FRANKFURT — In a strategic return to its roots, Germany's Daimler-Benz AG crippled the announcement on Wednesday that it lost 2 billion Deutsche marks in the first nine months of 1993 with the news that its Mercedes-Benz division would re-enter Formula One automobile racing in 1994 for the first time since 1955.

The company's \$1.1 billion third-quarter loss, attributed to costly overtime charges for layoffs and restructuring, is double the loss it recorded in the first half of the year. On Tuesday, the company's chairman, Eberhard Reuter, hinted that Daimler might cut its 1993 dividend.

Last month, Daimler became the first German company to have its shares traded on the New York Stock Exchange. The projection of losses was required by U.S. regulations, which are stricter than local standards.

Under German accounting rules, the company's nine-month loss was 168 million DM. Exact third-quarter statistics compiled according to U.S. accounting practice will be published Dec. 14, said Daimler, which is Germany's largest company.

Separately, Daimler's Mercedes-Benz motor vehicles division confirmed persistent industry speculation that it was planning a return to Formula One racing, a prestigious showpiece for motor manufacturing technology.

Norbert Haug, Mercedes's director of motor sports, said the company planned to compete in 16 Formula One Grand Prix races next year and would enter the IndyCar series in the United States and Canada in 1995.

It will be the company's first participation in

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Exiles Return, Wallets Full, to Help Saigon Be Saigon

By Philip Shenon
New York Times Service

HO CHI MINH CITY — After fleeing Vietnam seven years ago with nothing but the desperate hope to make a better life elsewhere, Minh Le returned this fall with a bottle of perfume, a bottle of champagne, and \$2,000 in cash.

They were gifts for his parents, who remained behind when Mr. Le, now 30, slipped across the border into Cambodia in 1986 and found a risky way to take him to Thailand. He eventually made contact with relatives in the United States, and today he is a computer entrepreneur in Falls Church, Virginia.

"When I left, there was nothing in Vietnam,"

said Mr. Le, whose pastel Hawaiian-shirt style gave him away in the streets of this city as a Viet kieu, a Vietnamese expatriate. "Now people have money. Everywhere. I see Vietnamese-Americans who are coming back to Vietnam to do business. They buy land, they buy houses, businesses. Someday I want to come back and do business here, too."

Ho Chi Minh City, the southern Vietnamese city that most inhabitants never stopped calling Saigon, is being revived to a large, and still secretive, degree by the same people who were once desperate to leave.

Nearly 30 years after the first of them risked their lives to escape communism and poverty, many of the so-called boat people are returning,

lured by a wish to help the family members they left behind and to invest in one of the most promising economies in Southeast Asia.

Although the Vietnamese government initially treated the returning Vietnamese with suspicion and even scorn, it now welcomes most Vietnamese-American visitors — and their dollars. American dollars are used in virtually all major business transactions here.

"It would be difficult for us to be rude to those Viet kieu because so many of them are our relatives," said a Vietnamese diplomat who has one cousin living in Washington and another in California. "We are a very pragmatic people. We need investment from everywhere to rebuild our country."

For several years, the United States has allowed Americans to travel to Vietnam as tourists, although there are still restrictions on the amount of money they can spend here.

At Tan Son Nhut International Airport in Ho Chi Minh City — once the central American air base in what was then the South Vietnamese capital — dozens of Vietnamese-Americans arrive every day to tearful reunions with parents and brothers and sisters.

"I am an American now," said a prosperous-looking Vietnamese-American businessman from Orange County, California, waiting in the immigration line at the airport and holding

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Bonn Idea: Take 3 Months Off

International Herald Tribune

FRANKFURT — Sticking an already fiery debate on reducing Germany's unemployment through job-sharing, Economics Minister Günther Rexrodt suggested Wednesday that workers consider taking three months of unpaid vacation a year.

Mr. Rexrodt offered his idea for saving jobs by working less as what he called a reasonable alternative to the recent ultimatum by Volkswagen AG that its workers shift to working four days a week or face the elimination of 30,000 jobs.

"Whoever wants to avoid layoffs while factories are working below capacity has to

think about unconventional and practicable solutions," Mr. Rexrodt said. "If we exhaust all avenues of making work more flexible, we could save hundreds of thousands of jobs."

The Economics Ministry portrayed Mr. Rexrodt's comments as part of the continuing debate on the need for increased flexibility in the German labor market, which is creaking under the weight of a painful recession. In lean times, the ministry said, flexible working hours and early retirement are philosophically as sensible as longer hours

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One of Arafat's Closest Aides Is Arrested as Israeli Spy

By Youssef M. Ibrahim
New York Times Service

PARIS — One of Yasser Arafat's closest aides in the Palestine Liberation Organization's headquarters in Tunis was secretly arrested a week ago by Tunisian authorities on charges of being a spy for the Israeli secret service, Mossad, and on suspicion that he was plotting to kill Mr. Arafat.

The move has caused an upheaval within the ranks of the PLO's top leadership in Tunisia.

The accused, Adnan Yassin, 48, was for years one of the closest assistants to the PLO's head of security affairs, Haniyeh Balaawi, a man with unrestricted access to virtually every sensitive file of the organization and to the senior leadership.

"We are still investigating, but there is little question it is a landmark discovery," said a Palestinian official in Tunis.

"It may explain crucial leaks in the past and tragedies, including the murder of several PLO leaders," the official said.

According to PLO officials, Mr. Yassin was arrested after Tunisian authorities were tipped by the French secret service that he was taking delivery in Tunis of a car loaded with sophisticated listening and explosive devices. The devices were hidden in special compartments of a Mercedes shipped from France, the officials said.

Tunisian authorities would not disclose how long the surveillance operation had been going on and the exact circumstances of Mr. Yassin's arrest. PLO officials said that they had only conducted preliminary interrogation sessions with Mr. Yassin, but that they believed he had been an agent of Israel for nearly a decade.

During this period, the Israeli Air Force bombed the PLO headquarters in Tunis in 1985 at a time when

Mr. Arafat was on the verge of arriving there and mounted a commando operation to assassinate his second-in-command, Khalil Wazir, in 1989 in his home in Tunis.

Tunisian and Palestinian officials confirmed that Mr. Yassin's arrest took place a week ago as he was called for a routine meeting with Tunisian authorities to discuss administrative affairs of the PLO in Tunis.

The officials said Mr. Yassin had confessed to having placed sophisticated bugging equipment in the houses and offices of many in the top leadership, including Mahmoud Abbas, known as Abu Mazen, who led all the secret negotiations with Israel over the framework peace agreement signed in Washington on Sept. 13.

An Arab daily published in London, Asharq Al-Awsat, on Wednesday described the arrest as "the largest spying operation ever discovered within the ranks of the PLO."

Interviews with Palestinian officials on Wednesday did not shed light on whether Mr. Yassin was planning to murder Mr. Arafat, as Tunisian authorities have suggested.

What is clear is that Mr. Yassin's status, the confidence he enjoyed from his immediate superior, Mr. Balaawi, the instant access he had to the top leadership and his vast administrative power within the PLO structure in Tunis set his case apart, PLO officials said.

PLO officials said they were conducting a major review of security arrangements after the second significant security scare since the peace agreement was signed.

Last month, at least seven bodyguards of senior PLO leaders were arrested and closely questioned about connections with the radical Muslim fundamentalist group Hamas, some of whose leaders have called for the murder of Mr. Arafat.

WORLD BRIEFS

U.K. Jury Sees Child Lured on Video

PRESTON, England (AP) — At the trial of two Liverpool 11-year-olds charged with a toddler's murder, jurors saw chilling video footage on Wednesday of the defendants luring their tiny victim away from his mother.

The footage, a succession of fuzzy black-and-white frames taken by 16 shopping center security cameras, first shows James Bulger, 2, strolling with his mother, Denise, One minute and 15 seconds later, James is shown wandering alone. A minute and 29 seconds after that, his mother is seen frantically searching for him.

Roughly four minutes after the first images, James is seen walking near the two defendants, who are identified in court only as Child A and Child B. One minute and three seconds after that, James is shown holding the hand of Child B. Thirty-six seconds after that, the toddler is seen leaving the center with the two boys.

UN Urges U.S. to End Cuba Embargo

UNITED NATIONS, New York (Reuters) — For the second year in a row, but with a bigger majority, the General Assembly on Wednesday called for the repeal of the United States economic embargo against Cuba.

The vote on the Cuban-sponsored resolution was 88 to 4, with 57 abstentions. The negative votes were cast by Albania, Israel, Paraguay and the United States. Last year's vote was 59 to 3, (Israel, Romania and the United States), with 71 abstentions.

The embargo has been in force for more than 30 years, since shortly after the Cuban leader, Fidel Castro, came to power. But it was strengthened when then-President George Bush last year signed into law the "Cuban Democracy Act" aimed at speeding a transition to democracy in the Communist-ruled country.

Mobil Apologizes to Vietnam Veterans

WASHINGTON (WP) — Mobil Oil Corp. says it has apologized to Vietnam veterans who protested a reception the company held in Ho Chi Minh City last month.

But a Vietnam veterans group, VietNam Veterans of America, said it was not appeased by Mobil's apology and planned demonstrations against the oil company, which is based in Fairfax, Virginia, on Veterans Day weekend starting Nov. 12. Mobil's apology came in a letter from Thomas Collins, manager for public affairs in its exploration and production division, to J. Thomas Burch Jr., chairman of the National Vietnam Veterans Coalition in Washington.

Mr. Collins said Mobil was in Ho Chi Minh City last month for an oil and gas trade show to support its application for a license to explore an offshore area it once held. Vietnam intends to award the exploration license for that area in the near future. Mobil was host at a trade-show reception at the former presidential palace, which North Vietnamese tanks captured during the fall of Saigon in April 1975. "I understand that many of your members believed that Mobil was insensitive to the symbolic implications of a reception in this location," Mr. Collins wrote, adding, "We regret any anguish the symbolism of this reception may have caused you and your members."

Italian President Denies Illicit Gains

ROME (Reuters) — President Oscar Luigi Scalfaro rejected allegations on Wednesday linking him with illicit payments from a slush fund in the 1980s, saying they were part of an attempt to destabilize the country. "We must keep calm and collected," Mr. Scalfaro said in an address broadcast live on television. "First they tried with bombs and now with this most shameful and ignominious of scandals."

Evening news reports had said that a former secret services agent testified that Mr. Scalfaro took \$60,000 per month from a slush fund run by the organization when he was interior minister from 1983 to 1987.

TRAVEL UPDATE

Air France Is Getting Back to Normal

PARIS (APF) — Air France said Wednesday that it had scheduled 304 arrivals at and departures from Paris airports for Thursday, 87 percent of its normal program.

It said all of its long-haul flights, both departures and arrivals, would go through at both Orly and Roissy-Charles-de-Gaulle airports except for the Paris-New York Concorde flight.

In addition, 85 percent of the usual medium-haul flights would be on the program, it said. The airline is getting back to normal after crippling strike activity.

The United States is going along with airline requests to ease airport security during terrorist alerts. The changes include allowing airports to use private security guards for some patrols now done by the police and permitting curbside baggage check-ins, which generally are suspended during full alerts. The changes aim at saving money and cut red tape but will not affect passenger safety. "We are maintaining our ability to respond to any threat," an official said. (AP)

Air Canada will resume flights to India beginning Saturday, after an almost three-year suspension. It will fly between New Delhi and Vancouver four times a week. (Reuters)

Flight attendants at American Airlines set up picket lines at 19 airports Wednesday, urging passengers to support them in a contract dispute by boycotting the carrier. The Association of Professional Flight Attendants said it would strike by Nov. 22, four days before the Thanksgiving holiday, if the two sides failed to agree. American said it planned to keep operating if the flight attendants went on strike. (AP)

A fire at the Guy Savoy restaurant in Paris, believed set by arsonists, caused extensive damage Wednesday. The restaurant, near the Arc de Triomphe, will be closed for about two weeks, said the owner and chef, Guy Savoy. He said alcohol was used to set a fire in a trash receptacle near the front window about 5 A.M. The restaurant rates two stars in the Guide Michelin. The owner said he had received no threats. (AP)

Allies Warn Russia On Libya Sanctions

Don't Block UN Effort, Yeltsin Told

By Paul Lewis
New York Times Service

UNITED NATIONS, New York — The United States, France and Britain have warned President Boris N. Yeltsin of Russia that bilateral relations between their countries will suffer if he continues to block plans for new sanctions against Libya over its role in the destruction of a Pan American World Airways flight over Scotland five years ago.

President Bill Clinton and Prime Minister John Major of Britain and Prime Minister Edouard Balladur of France all sent messages to Mr. Yeltsin this week conveying this warning. They said that public opinion in their countries demanded additional measures against Libya because of its refusal to surrender two men accused of complicity in the airliner bombing that resulted in the loss of 270 lives, diplomats here say.

The American message alludes to the danger that congressional opinion could turn against the emerging Russian democracy if Mr. Yeltsin blocks the new sanctions, prejudicing his chances of receiving further financial aid and export outlets in the United States.

Originally, the three allies planned to ask the Security Council to vote the new sanctions if Libya did not hand over the suspects for trial by Oct. 1 and promise to cooperate with a French investigation into the destruction of a French airliner over Niger in 1989.

But the vote was first postponed at the request of the UN secretary-general, Boutros Boutros Ghali, who said he wanted more time to mediate. After this failed, Russia threatened to use its Security Council veto to block the new sanctions unless the United States and its allies agreed to sequester Libyan overseas assets and use them to pay a \$4 billion arms debt it is owed by Libya.

The council has already cut all commercial air links with Libya. But the Russians were apparently angered that the proposed new embargo, which mainly affects supplies of oil-refining and pipeline equipment, had been carefully crafted to protect valuable oil and gas drilling contracts that European companies have won in Libya. The Russians felt that their financial interests should be advanced by the resolution as well.

When the United States and its allies replied that they could not give Russia precedence over Libya's other foreign creditors in this way, Moscow asked them for a \$4 billion interest-free loan instead. The United States and its allies,

who suspect Russia of bluffing, now plan to wait until the end of this week or early next week to let their warning sink in before bringing the new sanctions resolution to a vote in the Security Council. They believe that Moscow will not use its veto to block it.

Meanwhile, the Clinton administration is planning another trial of strength with President Yeltsin in the Security Council committee that oversees the embargo against Yugoslavia. On Thursday, the United States will veto a request by Russia to relax trade sanctions so it can sell natural gas to the rump Yugoslav federation of Serbia and Montenegro for heating schools, homes and hospitals this winter.

In a letter to this committee, which makes its decision unanimously, Russia echoed the recent warnings of senior UN officials about the serious humanitarian difficulties sanctions are now creating for ordinary people over much of the former Yugoslavia.

But U.S. administration officials say they will block the proposed Russian gas sale in order to increase pressure on the Belgrade government of President Slobodan Milosevic to compel the Serbs to make peace in Bosnia and Croatia. They say most of the gas that Russia wants to supply by pipeline this winter is destined for private homes rather than hospitals or schools.

And they point out that the Serbs besieging Sarajevo have still not agreed to open a pipeline carrying Hungarian natural gas into the city to provide its inhabitants with central heating.



PEACE TALKS POSSIBLE — A soldier of the rebel group UNITA outside the rebel capital of Huambo, Angola. In Lisbon, an Angolan official said Angola had agreed to meet rebel leaders and that peace talks could begin next week to end the civil war.

Algerian Forces Kill 10 Fundamentalists in Raids

Algiers — Security forces, cracking down on Muslim fundamentalist militants, shot and killed 10 in 3 operations shortly after a single sweep that killed 17 official sources said Wednesday.

The killings followed the weekend release of three French hostages, but it was not clear whether the operations were linked to the hunt for four men wanted in

connection with that kidnapping. The sources described the 10 killed as "terrorists," Algeria's official term for fundamentalists fighting to topple the government.

Five were killed at Mostaganem, a coastal town 280 kilometers (175 miles) west of Algiers, and four at Larba, a well-known fundamentalist bastion 25 kilometers south of Algiers.

The 10th was killed in Hussein

Dey, an eastern suburb of Algiers, near Badjarah, which for much of Wednesday was cordoned by armed security forces.

Security forces killed 17 militants Sunday night and through Monday at Bouzegza, near the coastal town of Bourmedje, which lies about 40 kilometers east of Algiers.

People were allowed in and out of Badjarah later Wednesday, but

witnesses said there was still a solid security presence.

One resident said the operation started at 2 A.M. Wednesday, during the curfew that has been in force since last December.

"Some shooting was heard during the night," said a Western diplomat. The diplomat also said that several hundred members of the security forces had apparently been deployed.

EUROPEAN TOPICS

Dutch Provide Tents For Refugee Overflow

Amid plunging temperatures and a chill in public opinion, the Netherlands has begun to use army tents to house its refugee overflow.

Traditional Dutch tolerance for refugees and foreigners has suffered amid economic hardship. Sixty-two percent of respondents in a weekend poll for Dutch Radio said that the Netherlands had no room for any more people, up from 50 percent in a June survey.

But refugees, most of them

from the former Yugoslavia, have continued to enter the country; asylum applications are heading for a record 40,000 this year. So after reception centers reached their capacity, the government held an emergency debate, deciding finally to use the tents, which are being put up on the Gilze-Rijen air base, near Breda.

Some critics said tents were inadequate and humiliating. Marie-Christine Reusken, a spokesman for the governing Christian Democratic Party, conceded that "asylum-seekers should get (at least) a roof over their head." But she added, "if it has to be tents, that's better than nothing."

Around Europe

The Swiss, it would appear, are suffering from democracy fatigue. The magazine L'Illustré reports

that political parties are having an ever harder time lining up candidates for local elections.

Democracy in Switzerland does make particularly heavy demands on citizens. In the western Vaud canton, for example, every commune with more than 800 inhabitants must send 40 representatives to the local parliament. In Begnins, a village near Lausanne, councilors had to go door-to-door in search of candidates.

According to L'Illustré, hard times have made people particularly loath to spend time away from their principal occupations — especially for the mere \$5 an hour that local representatives are paid.

Rudolf Augstein has interviewed many people over the years, from Willi Brandt to Alexander Solzhenitsyn, but never had

he allowed the tables to be turned — at least not in the pages of his own magazine, Der Spiegel, the influential German newsweekly.

But in the latest issue, Mr. Augstein, who turns 70 on Friday, opened himself to questioning from four young Spiegel journalists, average age 29. Among other things, he explains his recent statement that Chancellor Helmut Kohl "is not a bad politician." ("That does not mean, Mr. Augstein says, 'that he can't make bad policy'; he denies charges that he is a born provocateur ('Whom am I provoking?'); he brushes off competition from the surprisingly successful newsweekly, Focus ('I glance through it a bit'); and says he has no plans to retire.

Mr. Augstein admitted that he spends less and less time at the Spiegel offices in Hamburg; he

has been known to turn his car around while en route to work and head home in disgust. A self-taught man (one magazine said of him that he "swallowed up knowledge like a blue whale does plankton, indiscriminately and without concern"), Mr. Augstein founded Der Spiegel at age 23 after receiving permission from the British occupying authorities.

Two glaziers from the Danish town of Birkeroed, north of Copenhagen, were jailed this week on charges of paying an employee to drum up business by breaking windows in the city. The glaziers had taken the not-so-subtle precaution of distributing brochures beforehand offering businesses a 25 percent discount.

Brian Knowlton

A Prince Among Men? The People Seem to Be Seeing More of Charles

By William E. Schmidt
New York Times Service

LONDON — For the residents of the bleak South London housing project, it might as well have been the man from Mars. There, marching across their concrete courtyard, was Charles, Prince of Wales, smartly dressed in a gray double-breasted suit and dodging the dog refuse as he led a phalanx of pin-striped London business executives on an inner-city tour.

Prince Charles was on a royal mission, this time a discreet pitch to British business to invest in rescuing decaying urban neighborhoods. While the executives gathered around, he walked up to surprised tenants, shaking hands and posing questions in his execrable polite manner: Are there jobs for people? Do you find the local public transportation adequate?

When three women caught his attention with a shrill yell of "Hellooo Charlie," he stopped, leaned over the railing and asked if they lived in the badly battered modern high-rise building overlooking the courtyard.

"Can't we get these things pulled down?" one of the women said. "I was just asking that myself," the prince said, casting a disapproving look toward the building.

For the prince, who turns 45 this month, such is life these days in the royal fast lane. Nearly a year after he and the Princess of Wales separated, culminating a long period of public scandal and embarrassing private disclosures, Prince Charles has emerged at last from the fog of tabloid sensation.

In recent days he has seemed to pop up everywhere, talking about nearly everything. On Wednesday, he delivered a speech in Glasgow, condemning the "spiral of despair" faced by children in urban public housing tracts. On Thursday, at the Oxford Center for Islamic Studies, he used his royal platform for an unusual foreign-policy broadside, denouncing Saddam Hussein for his brutal treatment of Shiites in the marshes of southeast Iraq.

On Oct. 22, the day he visited the inner-city housing project, he told an interviewer on a London pop music station that one of his favorite

performers was Tina Turner, the American soul singer. And on Friday he met with a government minister to share ideas about job retraining and youth unemployment.

At Buckingham Palace trying to resell the Prince of Wales, who still comes in a distant second to his estranged wife in popularity polls?

"With my hand over my heart, it's simply not true," Richard Aylard, the prince's private secretary, said. "There's no point in going for some quick popularity fix: as the future king, the Prince of Wales is in a long-term business."

Now that the story of the royal couple's marital problems has faded, aides argue that Prince Charles is being noticed for what he has been doing all along: speaking out and bringing people together in different settings to get them talking about the issues he cares most about — for instance, inner-city decay, public housing and unemployment.

That was what was happening when he swooped into the Peppys Housing Estate in Deptford, a depressed manufacturing area along the south bank of the Thames.

For some 90 minutes, the prince and the business executives got an earful about poor bus and rail connections, unemployment, a lack of money for programs for both the elderly and the young, and the generally grim quality of life in the maze of modern concrete towers.

Frank Taggart, one of half-a-dozen tenants invited to share a circle of plastic chairs set up for the prince and his party in the local community center, made the most of the royal audience, plunging into a lengthy criticism of housing and job policy that had the prince nodding in agreement.

"Now, this estate here has won all kinds of awards," said Mr. Taggart, a 56-year-old union official, "except the architects who designed the place never lived here: you see, or otherwise they'd not have done it that way. The kitchens are 6 foot by 2; the walls are so thin you can hear your neighbor snoring next door."

"I can tell you," Mr. Taggart said, "it's a lot worse than a carbuncle. It's a plague."

With a grin, Charles acknowledged Mr. Taggart's reference to the famous 1984 speech in which he opened battle against modernists by

condemning a plan for the new wing at the National Gallery as a "monstrous carbuncle on the face of a much-loved and elegant friend."

For years, the prince was regarded as a kind of dabbler whose interest in everything from architecture to organic gardening was dismissed as a way to fill his empty days while he waited for his mother, Queen Elizabeth II, to give way and allow him to become king.

At the same time, the monarchy was becoming the focus of criticism, ending in a year of scandal and loss that the queen bitterly described in December as her "annus horribilis."

The queen volunteered to pay income tax and opened Buckingham Palace to tourists to raise the money needed to repair fire damage to her home at Windsor Castle. Such gestures assuaged some of the monarchy's critics, who have also begun to see her son's pursuit of good works in a new light.

"Why not a public-service monarchy?" asked Anthony King, a political scientist at Essex University, who argues that the prince deserves credit for trying to address grass-roots concerns.

Approaching the 25th anniversary of his investiture as Prince of Wales next year, and still uncertain how long he must wait to become king, Prince Charles seems determined to continue exploring the largely undefined boundaries of his role as heir-to-the-throne.

"If there has been a change in his focus," said Mr. Aylard, "it is a determination to see more of his ideas put into actual practice."

Still, some British papers cannot give up the notion that the bundle of activity is part of a tug-of-war between the prince and the princess. Charles's friends deny it, but they acknowledge that it is a no-win battle: In the popularity sweepstakes, Charles has little chance of matching Diana's star quality.

From her home in Kensington Palace, where she shares custody of their sons, Princes William and Harry, she lends her considerable personal style to campaigns on issues such as AIDS, domestic violence against women, and drug addiction.

By contrast, Charles remains, for all his visibility, a kind of policy wonk.

OVERHEARD



Martha rushed in to break Herbert of his old ways.

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STATESIDE / 'HE HAS LOST HIS GRASP'

In a Disgusted Senate, Denunciations of Packwood (Only 6 Back Him)

By Michael Wines
New York Times Service

WASHINGTON — The Senate has overwhelmingly voted to compel Senator Bob Packwood to turn over 3,000 pages of private diaries for an ethics investigation, ending with ill-concealed disgust an extraordinary political debate over the privacy rights of elected leaders.

The 94-to-6 vote on Tuesday night authorized the ethics committee to take the necessary legal steps to force the Oregon Republican to comply with a subpoena. The committee investigating allegations that Mr. Packwood sexually harassed a number of women aides and lobbyists and then tried to suppress their testimony.

The vote followed an unusually strong denunciation by Senator Robert C. Byrd of West Virginia, the chamber's senior Democrat, who said Mr. Packwood had blackened the chamber's reputation and ought to resign.

"I believe he has lost his grasp of what it means to be a United States senator," Mr. Byrd said, adding, "It is time to have the grace to go."

Only six senators—one a Democrat—stood against the subpoena, which had been unanimously requested by the Senate Select Committee on Ethics.

The Republicans were Mr. Packwood, Alan K. Simpson of Wyoming, Jesse Helms of North Carolina, Arlen Specter of Pennsylvania and John C. Danforth of Missouri. The Democrat,

Dennis DeConcini of Arizona, was himself the target of an ethics inquiry this year and has said he will not seek re-election in 1994.

The Senate rejected, 77 to 23, a last-ditch proposal by Mr. Simpson for a compromise.

[The vote to enforce the ethics committee subpoena for the diaries is likely to shift the drama to federal court in Washington, where lawyers for Mr. Packwood and the Senate would continue their legal battle. The Washington Post reported.

[The Senate has never before sought court enforcement of a subpoena against one of its members, but it has gone to court four times since the procedure was established in 1978 to force compliance with one of its orders. It has

prevailed in three of those cases, according to legal experts.]

By their votes, the senators emphatically rejected Mr. Packwood's impassioned warning that the ethics committee had mutated from court to star chamber, rummaging through his life's work not only for evidence of sexual misconduct but also for information on a more recent question: whether he improperly solicited lobbyists and other political friends to offer jobs to George Packwood two years ago when the couple were in the midst of a divorce.

Indeed, the panel's subpoena demands not just diaries from the most recent five years of Mr. Packwood's career, but also virtually every scrap of paper, tape recording or computer

entry detailing his official actions during those years.

Lawmakers sided with the committee's chairman, Senator Richard H. Bryan, Democrat of Nevada, who argued that Mr. Packwood was seeking greater protection from the prying eyes of investigators than is accorded an average American being scrutinized by the criminal justice system.

"The double standard," Mr. Bryan said, would not wash with the public.

Mr. Packwood tried to peddle a last-minute compromise that would have turned the diaries over to a mediator who would have decided which passages were relevant to the ethics panel's inquiries.

But critics called it a sham, noting that it

would give the committee passages relevant to the accusations of sexual harassment and soliciting jobs for George Packwood but nothing else.

Barely an hour before the end of the debate, Mr. Packwood's supporters sensed overwhelming defeat and abandoned the compromise tack. They proposed instead that the committee be allowed to subpoena all "relevant" portions of the diaries, rather than the entire diaries, and that the decision as to what was relevant be left to the courts.

That proposal peeled away to Mr. Packwood's side one of the six members of the ethics panel, Senator Larry E. Craig, Republican of Idaho. But Mr. Bryan and the panel's vice chairman called it unacceptable.

A Freshman Senator's Voice Is Heard, and Counts, on Sexual Harassment

By Kevin Merida
Washington Post Service

WASHINGTON — The congratulatory calls started pouring into the office of Senator Patty Murray, Democrat of Washington, and the freshman legislator was gratified. "People are saying thank you," she said, "thank you for sticking with women."

In an impassioned floor speech, Senator Murray had tried to refocus the legislative debate over the subpoena for the personal diaries of Senator Bob Packwood, Republican of Oregon, and force the Senate to explore its treatment of women who complain of sexual harassment.

Her challenge to the institution — not to "abdicate our responsibility to police ourselves" — created a stir in the Senate as colleagues tried to defend her, denounce her or stay away from her.

In one rebuke of Ms. Murray, which took on added significance coming from the senior woman in the Senate, Senator Nancy Landon Kassebaum, Republican of Kansas, said she was disturbed by some of her statements and proceeded to read Ms. Murray's remarks from the Congressional Record.

"I think it is very important for us not to send a message out on and beyond the Senate chamber that this is, somehow, a reflection of whether we support or do not support sexual misconduct," Ms. Kassebaum said.

In the end, Ms. Kassebaum and Ms. Murray ended up on the same side — both voting to force Mr. Packwood to divulge further pages from his diaries.

That Ms. Murray's voice was heard — and it counted — is a measure of how far the Senate has come since 1991, the last time there was a major congressional controversy over allegations of sexual misconduct. In that episode, the Senate, following the recommendation of its all-male Judiciary Committee, voted to discount the sexual harassment claims of Anita F.

Hill, a law professor, and confirm Clarence Thomas to the Supreme Court.

But that was before the 1992 elections tripled the population of female senators from two to six. A seventh, Kay Bailey Hutchison, Republican of Texas, arrived this year via special election. None of the female lawmakers voted with Mr. Packwood on Tuesday — though the experience left some drained.

Ms. Hutchison, for one, noted that it was "difficult being a woman" during the debate as the issues of sexual harassment intersected with the rights of a male colleague. "I am very concerned that we apply the laws of the land to the United States Senate," she said.

Some veteran women of politics marveled at what had taken place, using words like "historic."

The camaraderie of the new Democratic women in the Senate was evident when Senator Barbara Boxer, Democrat of California, took the floor early Tuesday to praise Ms. Murray for bringing the Senate "back to reality." Listening to the dry arguments about Mr. Packwood's right to privacy, Ms. Boxer said, made her feel like she was in a law school class. She said the women who had accused Mr. Packwood of sexual misconduct were being kept waiting for the ethics committee to complete its inquiry.

"My own view is that the Senate's reputation is very much at stake," Senator Dianne Feinstein, Democrat of California, said in an interview. "Sometimes the debate concentrates too much on the trees and not the forest."

What Ms. Murray did in her speech on Monday night that riled some of her colleagues and rallied others was to turn the debate toward the troubling public perception that members of Congress will unite to protect one of their own. If the Senate had supported Mr. Packwood, she contended, it would have sent a clear message to every woman in America: "If you are harassed, keep quiet, say nothing; the cards are stacked against your ever winning."

★ POLITICAL NOTES ★

A Widening Conflict-of-Interest Web

WASHINGTON — Government regulators who hired Webster Hubbell, the associate attorney general, to press a savings and loan case in 1989 now say they did not know that his law firm had a long-standing relationship with the thrift that could have constituted a conflict.

The thrift, Madison Guaranty Savings and Loan, failed in 1989, costing taxpayers about \$47 million. In an effort to recoup some of that money, the Federal Deposit Insurance Corp. hired the influential Rose law firm of Little Rock, Arkansas, to sue the S&L's accountants, paying it \$400,000 in fees and expenses.

Through a Justice Department spokesman, Mr. Hubbell said he had told the deposit insurance agency that lawyers at his firm, including Hillary Rodham Clinton, then a senior partner, had represented Madison in the mid-1980s.

Agency officials said their attorneys had no documents and "no recollection" that Mr. Hubbell had told them of that work.

According to agency records, however, Vincent W. Foster Jr., who was a Rose partner before joining the Clinton White House general counsel's office, had written the agency earlier in 1989 soliciting work for his firm.

"The firm does not represent any savings and loan association in state or federal regulatory matters," Mr. Foster wrote, omitting to use the past tense.

Conflict-of-interest rules generally bar lawyers from representing the government in S&L cases if they have done significant work for the thrift.

The Rose firm represented Madison before state regulators when the thrift was seeking new ways to raise capital in the mid-1980s.

Federal regulators have asked the U.S. attorney in Little Rock to investigate Madison and its former owner, James B. McDougal, a longtime friend of the Clintons' and partner in a real estate development firm called Whitewater Development Corp. The Washington Post reported Tuesday that prosecutors have also been asked to look into Whitewater's land dealings. (WP)

From Clinton, \$2 Billion More in New Cuts

WASHINGTON — President Bill Clinton has proposed \$2 billion more in spending cuts for military construction, energy programs and highway and water projects, a week after recommending \$9 billion in other savings through changes in the government's procurement process.

By submitting a combined package of \$11 billion in rescissions and savings recommended by the National Performance Review task force, Mr. Clinton kept his promise for another round of budget cuts.

It came in response to criticism from moderate and conservative House Democrats that Mr. Clinton's \$496 billion, five-year economic package approved in August didn't go far enough in reducing government spending.

"My administration is committed to working closely with the Congress to produce legislation that will achieve this level of savings," Mr. Clinton said in a letter to Congress transmitting the spending cut proposals. (WP)

Quote/Unquote

Robert C. Byrd of West Virginia, the senior Democrat in the Senate, during the debate on whether to require Senator Bob Packwood, Republican of Oregon, to give his private diaries to the ethics committee: "I believe he has lost his grasp of what it means to be a United States senator. It is time to have the grace to go." (NYT)

Away From Politics

● Expressing outrage over a survey of priests and nuns by the Los Angeles Times, the Archbishop of Los Angeles, Cardinal Roger M. Mahony, accused the newspaper of planning to join in "the American media's favorite pastime — Catholic bashing." The nationwide poll was defended by the paper as "well reasoned and fair."

● Air quality fails to meet federal standards in 72 metropolitan areas where nearly 54 million people live, the Environmental Protection Agency said in an annual report. But several urban centers, with a population of 32 million, met federal standards for the first time in 1992. They included Detroit, Pittsburgh and Seattle-Tacoma.

● Sheikh Omar Abdel Rahman has been put in a specially designed cell in New York City with a shower and conference room. The Egyptian cleric, who had been held in an upstate prison, is awaiting trial in connection with a bomb plot against New York landmarks. He is blind, diabetic and has difficulty walking. His new, two-room cell has been designed to meet his needs.

● An man cleared of arson and murder charges in a hotel fire that killed three people said he had been "delivered from the gates of hell." New evidence supported William Motter's alibi that he was home with his wife the night of the 1992 fire in Napoleon, Ohio.

● Flavor Flav, a rap musician charged with firing a gun at a neighbor, is expected to check into a drug rehabilitation program, the New York district attorney's office said. The 34-year-old musician, whose real name is William Drayton, was being held on charges of attempted murder and gun possession. Bail was set at \$15,000. (LAT, AP, NYT)

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THE EUROPEAN
THE WEEKLY NEWSPAPER FOR EUROPE

25 نوفمبر 1993

Herald Tribune

Published With The New York Times and The Washington Post

A Brighter Path for Peru

Quite suddenly, one of the cruel and seemingly unending calamities of late 20th century Third World politics is being reduced to treatable dimensions. The Maoist Shining Path guerrilla movement, which cost Peru upward of 25,000 lives and \$20 billion, has been hit by community resistance, by government attack and by the capture of its founder-leader and now by his reported abandonment, in prison, of armed struggle. Shining Path duplicity, along with a continuation of terrorism by some schismatics, makes it premature to declare the movement's end. But it becomes possible to hope that Shining Path, which became known as much for its attacks on the reformist left as on the oligarchic right, can no longer intimidate a nation.

Not that Peru can now march smartly into the future with its fellow Latin Americans. Shining Path was not the cause of the country's fall into despair, but a vivid symptom. The causes are cultural and historical, and they remain terrible potency.

The significance of Shining Path's apparent fading lies in the removal of a major distraction from a strong national focus on economic growth and social justice. In short, President Alberto Fujimori has lost a major alibi for his authoritarian tendencies.

Slow Down the Arms Trade

Don't Subsidize Exports

As the Pentagon's demand for new weapons declines, America's arms makers, hard pressed to make a buck, or a billion, are trying harder to market their wares abroad. But the global arms market is contracting. Now the arms makers have come up with a new scheme to stimulate foreign demand at U.S. taxpayers' expense: get Congress to put up \$1 billion in government loan guarantees, a subsidy to foreigners who buy on credit.

The Pentagon itself rejects the idea, but that has not stopped the Senate from backing it. House-Senate conferees now are working on the 1994 defense authorization bill should head the Pentagon and kill the loan guarantee program.

The United States already has an 86 percent share of arms deliveries to NATO allies and other countries covered by the program, most of whom do not need to buy on credit.

Arms Control Is Crucial

With the cuts in defense spending, American arms producers have been lobbying Congress for more exports to other countries. In response, the Senate would provide more government aid to promote exports. The House opposes that. The decision will come in the conference on the defense authorization bill.

The scale of American arms exports needs to be reduced, not increased. Government support for arms exports, in grants and loans, already runs at about \$4 billion a year. That has made the United States by far the world's largest exporter of weapons. Some of those exports have served important purposes, but others have turned out spectacularly badly. It is never easy to guess which countries will be stable long-term allies deserving help. Iran and Iraq are Exhibit A and B.

The quarrel began with the money in this year's defense authorization bill to help the arms industry convert to civilian production. Some of the defense contractors began pressing Congress to divert part of that money to loan guarantees for additional arms exports. Instead of going through the painful and expensive process of converting plants, they

Other Comment

Meanwhile, Haitians Suffer

The Reverend Jean-Bertrand Aristide's statement that he won't attempt to return to Haiti until Lieutenant General Raoul Cedras remains in power avoids a confrontation in which the United States might be pressured to intervene militarily.

But the deposed president's having to take such a position was a decided victory for General Cedras and his followers. How lasting a success General Cedras enjoys, however, will depend on how much more international support Father Aristide can muster.

The president has called for a total trade embargo on his impoverished country, already being blockaded by U.S. vessels to prevent the delivery of gasoline and other products.

It is a course that his suffering people do not welcome. But stronger economic measures are needed to generate sufficient pressure on General Cedras. For one thing, a total embargo would force the neighboring Dominican Republic to halt the shipment of goods across its border with Haiti, a line of supply that has been used to circumvent the naval blockade of Haitian ports.

Both embargoes and blockades are slow and indirect. The effects must be felt by the handful of wealthy families that dominate the Haitian economy before they are made brazen enough to confront General Cedras. And before that point is reached, countless thousands of Haitians would first have to lose their jobs.

No longer can lapses from democratic practice be rationalized by a requirement to combat Shining Path terrorism. This theme emerges strongly from the large vote (48 percent) against the new president-centered constitution approved in a referendum on Sunday.

Especially since the capture of his guerrilla nemesis a year ago, President Fujimori has opened the Peruvian economy—a necessary but socially distressing policy. Five of six Peruvians in the work force are unemployed or underemployed and do not make a subsistence income. Foreign investors have taken advantage of the authoritarian stability, but much of the new investment is speculative and short-term, designed less to develop the country than to make a quick profit. Debt repayments ensure that more money goes out than comes in.

A country that has survived the Shining Path ordeal deserves a respite. But what Peru is getting instead is a fresh summons to arduous duty. In its struggle, Peru deserves the sympathy and support of the Western Hemisphere's democrats. What it needs most is a system of democratic governance that will allow its citizens to make the choices, as well as to share the burdens, falling to Peru.

—THE WASHINGTON POST.

Defense contractors would undoubtedly press Congress to extend coverage to other, more credit-needy but less reliable customers, who have a nasty way of turning the arms against U.S. troops. That is one important lesson of Iraq and Somalia. Subsidizing U.S. arms sales would tempt foreign competitors to subsidize their sales as well. They might not be as discriminating about where they sold their arms. And how could the United States justify such subsidies when it is trying to encourage cash-hungry Russia and Eastern Europe to restrain their arms peddling?

Decisions on arms sales must be governed, above all, by considerations of U.S. security. Subsidizing such sales for the sake of jobs would keep arms makers from converting to production of more useful goods. And by stimulating international arms trafficking, it could also prove lethal.

—THE NEW YORK TIMES.

argued, wouldn't it be better just to keep them producing the same weapons and then dumping them overseas? Representative Thomas H. Andrews, Democrat of Maine, listened carefully and decided that it would not be better. Mr. Andrews has been deeply impressed by the frequency in recent years with which American troops, most recently in Somalia, have found themselves facing American-made weapons that got into the wrong hands. He put a provision in the bill prohibiting any use of the conversion money for export subsidies.

Senator Dick Kempthorne, Republican of Idaho, disagrees. Into the Senate version of the bill he put \$25 million in loan guarantees that could support as much as \$1 billion in additional arms exports. He agrees that it should not come out of the conversion funds; instead, he would take it out of the Pentagon's research and development money.

That is the choice, Mr. Andrews and the House are clearly right. Arms control is crucial to the world's health, but the current reductions in Europe will accomplish little if the major industrial countries respond everywhere else by increasing their government-subsidized arms sales.

—THE WASHINGTON POST.

A shorter route would be to address General Cedras's stated concerns about amnesty for those involved in the coup against President Aristide and negotiate a role in the government for the existing Haitian military. But that's a route Father Aristide is not ready to embark upon. It would be a painful embarrassment to the United Nations' effort there if he ever felt compelled to do so.

The sad question in this situation is whether the Haitian people—once firmly behind Father Aristide—will be able to endure as long as General Cedras.

—The Pittsburgh Post-Gazette.

And Now, Spare People

Science has now acquired the monstrous power of creating a child and then another, identical to the first, to use should the first die and the parents want a carbon copy. Embryo cloning allows man to have a child with its own reserve bank. The second child, the reserve child, can donate his organs to the first, should the need arise. It would be a spare child.

The news has paralyzed the worlds of science and religion, putting them in euphoria and consternation; euphoria in science, consternation in morality.

It would have been better not to arrive at this reality. But if reality exists, then the world has the right to know of it. When this reality didn't exist, the world didn't ask for it. This is a science that serves scientists, not humanity.

—La Stampa (Turin).

Winter Death for Bosnia, With the West Looking On

By Jim Hoagland

WASHINGTON — Bosnia's Serbs are ready to let cold and starvation finish their conquest of the Bosnian heartland, and the international community is ready to let that happen. Instead of concentration camps and mass rape, the Serbs will use the advancing Balkan winter and the Muslims' seriously depleted food stocks as their weapons of ethnic cleansing in the second year of the war.

That way the Serbs reduce the risk of outside military intervention to help the Bosnians. Without a single easily identifiable villain using odious tactics, international public opinion may not re-engage in the Bosnia tragedy.

Serbian shells still fall on Sarajevo. New fighting and massacres will punctuate the winter. But Serbian warlords appear intent on consolidating the territorial gains they have already made and getting United Nations sanctions eased instead of launching a costly winter offensive to capture Sarajevo, according to European intelligence reports.

The Bosnian government of President Alija Izetbegovic prefers to endure this slow strangulation than accept the humiliating surrender proposed by international negotiators at the end of summer. A daily ration of 300 grams of food, or about half the minimum requirement for survival, is stockpiled for each Bosnian citizen. The government clings to a for-

lorn hope of American intervention, not realizing or not accepting that Bloody Sunday in Somalia finally closed off that option.

The bitter endgame of attrition is more than a human tragedy. It casts a long shadow across the ability of America and its European allies to cooperate on security challenges.

In the end, the European view of Bosnia has prevailed. The French, British and others tried Bosnia as an insoluble problem in which outsiders could do no more than comfort the wounded and feed the starving. They put troops on the ground in Bosnia to try to contain a conflict that they did not have the means or the will to resolve.

There is an element of a self-fulfilling prophecy in the European attitude, but the Bosnians can count on the European troops to be there to administer the last rites when the end comes.

The Clinton administration could not initially accept that Bosnia was unfixable. Nor could it surrender the moral high ground that candidate Bill Clinton had seized from the Bush administration in 1992. Mr. Clinton sketched a plan for intervention; but he was then unwilling to take the high-risk steps that would have been necessary to bring it about.

Bosnia is a peculiar twist on the familiar story of European pessimism colliding with naive American can-doism. This time cynicism about human nature propelled the Europeans into action to minimize suffering while the Yankee optimists became involved bystanders.

Senior French officials and other Europeans believe that Serbian leaders have captured the territory in Bosnia that they wanted. The Serbs will now let the elements and food shortages deliver the coup de grace to Mr. Izetbegovic's divided forces. The Serbs do not want to provoke the air strikes threatened by NATO as a result of Mr. Clinton's prodding. Nor are they likely to launch military operations into Kosovo or Macedonia, senior European officials now believe.

This scenario, if it is accurate, means that ex-Yugoslavia will not be a topic for urgent argument or action at the January NATO summit in Brussels. Bosnia will produce neither a rallying round the NATO flag nor a paralyzing dispute.

But Europe and America should go to that meeting chastened by the organization's inability to help preserve the territorial integrity of Bosnia, a fully recognized member of the United Nations and of European governmental organizations.

Bosnia has demonstrated that American

and European security interests no longer coincide as fully as they did during the Cold War. European officials argue. France is pushing for acceptance of a variable geometry arrangement within NATO that would permit coalitions of the alliance's European members to intervene in Bosnia-type situations and draw on NATO resources even if the United States does not join the action.

Past administrations would have automatically rejected such "tampering" with NATO. But the Clinton administration, stung by Bosnia and ready to let the Europeans take on a greater share of the defense burden, has said it is willing to discuss making NATO forces "separable but not separate" in the new slogan that is being tried out as a concept for the January summit.

Changes to NATO will come too late to do the Bosnians any good. Their nation has been marked for a slow, quiet death beneath the Balkan snow instead of the fiery Götterdämmerung that seemed to threaten a few months ago. The international community is not prepared to change the situation. But it can at least ease the suffering by pouring food and medicine into Bosnia while it stands—and by not averting its gaze from what is about to happen there.

The Washington Post.

Now Let's Build an Asia-Pacific Economy Community

THE ASIA-Pacific region is the most dynamic component of the world economy. It has grown faster than any other region for the past 30 years. Its share of world output and trade has risen steadily. It seems likely to continue at the forefront of world economic progress in the decades ahead.

At the same time, the Asia-Pacific has been the only major region of the world that has not developed region-wide, or even Asia-wide, intergovernmental institutions—in either the economic or security dimensions—to foster and facilitate its progress.

Europe set up the European Community and the Western European Union. The Atlantic has the North Atlantic Treaty Organization and the Organization for Economic Cooperation and Development. The Western Hemisphere has the Organization of American States and the Rio Treaty, and now plans to add a North American Free Trade Agreement that could extend throughout the hemisphere.

At least three major developments threaten the environment that has permitted, indeed facilitated, three decades of economic boom in the Asia-Pacific without the benefit of regional institutional arrangements. Any one of the three, if it proceeded far enough, could significantly undermine prospects for the region: continuation of all three could derail its entire momentum.

First, the global trading system is at risk. The OECD has found that 20 of its 24 members increased their trade protection during the 1980s. The number of trade disputes, as measured by cases taken to GATT, is rising rapidly. More and more countries are adopting the tools of process protectionism, such as anti-dumping and countervailing duties.

Widespread perceptions of restricted market access in Japan, the world's second largest economy and leading creditor country, have produced intense bilateral trade disputes and charges that GATT is irrelevant in dealing with one of the trading system's major players.

Although protection by the United States has declined since the mid-1980s, some trade actions by that country in recent years have been viewed as "aggressive unilateralism" and as attempts to "manage trade" that could undermine the open multilateral system.

We know from history that the trading system either moves steadily forward toward greater liberalization or tends to topple in the face of protectionist pressures. The contemporary instrument for restarting the liberalization process is the Uruguay Round, launched in 1986 and targeted for conclusion at the end of this year. An ambitious conclusion of the round is of vital importance to all members of the Asia-Pacific Economic Cooperation forum. (Members are Australia, Brunei, Canada, China,

This is an edited excerpt from a confidential report to the Asia-Pacific summit meeting in Seattle last month. The report was requested by foreign and trade ministers meeting in Bangkok in September 1992, from an Eminent Persons Group: Nanyanghai Akromov, of Thailand; C. Fred Bergsten, of the United States; Victor K. Fung, of Hong Kong; Huang Wenjun, of China; Mahn Je Kim, of South Korea; Hank Lin Gik Hay, of Singapore; John S. Macdonald, of Canada; Subadi Mangkusumando, of Indonesia; Neville Wran, of Australia; Rong-I Wu, of Taiwan; Iyepi Yanazawa, of Japan; Graeme Pirie, of New Zealand, was the group's coordinator.

Hong Kong, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand and the United States.)

Despite agreements reached at the Group of Seven summit in Tokyo in July, there remains a substantial risk that the Uruguay Round will fail to achieve the needed progress or will even fail altogether. Although the existing GATT rules and institutions would remain in place, such a failure would sharply reduce the credibility and effectiveness of the global trading system. Protectionists everywhere would be encouraged.

Pressures for new trade barriers that have been bottled up by the prolonged negotiations would emerge. Issues that had been included in the GATT agenda would be reassigned for bilateral or even unilateral resolution. The entire international framework that has been so crucial to economic progress in the Asia-Pacific would be threatened.

THE SECOND threat is the escalation of inward-looking regionalism throughout the world. There is at present only one real economic bloc, the European Community. It is the single largest economic entity in the world. It will be further expanding its membership and geographical scope. It is deepening the extent of its integration. Its discrimination against nonmembers, and recent signs that it is turning inward and shirking its global responsibilities, have raised growing worries about its compatibility with the global system.

Neither the free trade agreement between the United States and Canada nor the proposed North American Free Trade Agreement constitutes a similar situation. Canada and Mexico are much smaller economies than the United States and already depend on it for almost three-quarters of their trade. These arrangements are free trade areas rather than customs unions, let alone integrated markets.

However, NAFTA would be a preferential trading arrangement and has been perceived in some quarters as a signal that the United States—the traditional leader of the global trading system—may also be going regional or at least hedging its bets.

President George Bush's proposal to extend NAFTA throughout the Western Hemisphere, which has been implicitly endorsed by President Bill Clinton, has substantially intensified such concerns. Proposals for an East Asian Economic Caucus, at least in part, stem from fears that a second large preferential economic zone might now be forming.

The Land-Mine Plague

By Jan Eliasson

The writer is UN undersecretary-general for humanitarian affairs.

UNITED NATIONS, New York — The United Nations General Assembly turned its attention recently to the legacy of death from 100 million land mines sown across the globe. Calling for a report by next year on improving international mine-clearing efforts, the Assembly formally recognized the need to assist the estimated 62 countries afflicted by this scourge.

Eighty-eight countries co-sponsored a resolution, introduced by the European Community, focusing on the human tragedy caused by the failure to remove mines.

Land mines have turned large areas of the world into a permanent no-man's-land. Most mines lie buried and unmarked, part of a deliberate strategy to terrorize civilians, continuing to kill innocent people long after wars end. (Mines laid in Poland during World War II killed 4,000 people after 1945.)

Many of the world's 19 million refugees and 25 million displaced persons are unable to return home for fear of death or dismemberment by these weapons. In Cambodia, people are still dying because of the 4 million mines left after two decades of civil war. In Angola, fertile lands lie fallow because farmers fear to tread on them. More than 20,000 Angolan amputees—most of them women and children—bear witness to the danger.

Mines continue to be planted all over the world. To slow the proliferation, some manufacturing countries have imposed export bans, and the United States is calling for a worldwide export moratorium. But 35 countries continue to manufacture these indiscriminate weapons—many of which are designed to maim rather than kill.

Little research has been done to develop new technology for mine clearance. Most people must still prod the ground, sometimes assisted by dogs sniffing out the explosives, to locate mines: a slow and dangerous process. In Kuwait, where up to 7 million mines were sown during the Gulf War, 84 demining experts were killed or injured while clearing them. At least 30 people have died in UN demining operations in Afghanistan.

A 1980 UN treaty prohibits the use of land mines against civilians, and directs governments to destroy mines after conflicts end. But only 39 countries have ratified the treaty. Many governments are calling for it to include verification measures and a clause to ensure that mines are built to be detectable and easily removed once a war is over.

Most urgent is the need for development of new mine-clearing technology and local training campaigns to detect and disarm mines. The international community must join to bring the plague to an end.

The New York Times.

But Americans Don't Seem to Be Ready

By Hobart Rowen

WASHINGTON — Forces opposed to the North American Free Trade Agreement have managed to generate fear that a treaty with Mexico will cost American jobs and depress wages. How will Bill Clinton be able to sell the idea of a closer partnership with the huge economies of Asia? Especially China, where wages truly are small fractions of American wages?

"If you think NAFTA is a tough sell, an Asian sell will be ten times tougher," Paula Stern, former head of the International Trade Commission and a strong advocate of both NAFTA and closer economic ties with Asia, told me.

Recently, the NAFTA opponent Jeff Faux, president of the Economic Policy Institute, tossed out the idea that even if American manufacturers don't move their plants to Mexico, the mere threat that they might will enable them to put a "cap" on wage negotiations at home.

Ms. Stern, who is close to the Clinton administration, does not expect that to happen under NAFTA. But she does feel that the question must be dealt with in the context of new ties with Asia. "We're forced to study the role of the much larger Asian economies with much lower wages, especially China, India and Indonesia. These questions can't be swept under the rug."

In an insightful speech last March in Bangkok, she pointed out that a "political consensus" in America for a closer economic engagement with Asia does not exist. "At the moment, the political climate, to put it bluntly, is not conducive to a warm U.S.-Asian commercial embrace."

Most Americans look on the Asian countries as clones of an export-oriented Japan, and not as huge markets for American products. Yet even without formal ties, U.S. exports to the Pacific area last year totaled \$120 billion, accounting for 2.3 million American jobs.

Nor does the public understand that much of the capital needed in the next few decades to restore the American economy will be available only in the rich Asian countries.

These issues will get intensive discussion when President Clinton meets in Seattle from Nov. 17 to 19 with 14 other Asia-Pacific leaders for the fifth session of the Asia-Pacific Economic Cooperation Council.

At Waseda University in Tokyo on July 7, Mr. Clinton elevated the status of the Seattle meeting by announcing his intention to attend and inviting other heads of government to

do so. "The time has come for America to join with Japan and others in this region to create a new Pacific Community," Mr. Clinton told his Japanese audience.

The economist C. Fred Bergsten, who chairs a group of nongovernment experts entrusted with laying out an agenda for the Seattle meeting, said in an interview that APEC should establish "an ultimate goal of achieving free trade" in the area.

"I personally view the current situation as analogous to the institution-building period after the Second World War, which focused on the Atlantic," Mr. Bergsten said. He has in mind not only economic institutions such as GATT, but those concerned with security such as NATO, "to protect... against future uncertainties."

But it is one thing to articulate a vision for such a community, and another to assume that it has political viability. If the uphill fight to get NAFTA passed has taught its sponsors anything, it is this: No matter how logical a proposal, it will get nowhere without public support.

Moreover, at Seattle, the proposed new Asian adventure will have to share the limelight with old issues. NAFTA is scheduled for a winner-take-all vote in the House of Repre-

sentatives on the day the APEC meeting begins. A defeat of NAFTA would be a blow that no administration official wants to think about aloud. But even if NAFTA speaks through, APEC may have to be put on hold while current pressing trade problems are resolved in Seattle.

Chief among them are American trade relations with Japan and Canada, and the fate of the GATT round of multilateral trade negotiations. President Clinton and Prime Minister Morihiro Hosokawa are scheduled to continue their talks on the "framework" for U.S.-Japanese trade that was initiated in Tokyo in July.

A late starter will be U.S.-Canadian relations, after the defeat of the Conservative Party in the recent Canadian elections. Canada is unhappy with some of the results of its trade treaty with the United States, and may also seek changes in NAFTA.

Yet Asia is too important to ignore. Mr. Bergsten suggested that the Asia-Pacific is potentially a big enough economic region to be a second-best alternative to a global trading system under GATT.

You can bet that Europe, already wondering whether it is destined to play second fiddle to Asia as America's principal partner in the next century, will be keeping close tabs on the events in Seattle.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: African Bloodshed

LONDON — Matabeleland was again the subject of questions in the Commons yesterday [Nov. 3]. Sir James Ferguson wanted to know if the Colonial Office had reason to believe that there had been unnecessary bloodshed owing to the forces employed in the field. Mr. Labour asked the Under Secretary if he considered the massacre of 3,000 men necessary bloodshed. Mr. Sydney Buxton said it was not his business to say whether it was a massacre or whether it was necessary bloodshed. He was, however, glad to say that instead of 3,000 there were 500 Matabele killed.

1918: Armistice Signed

PARIS — Official information was issued last night [Nov. 3] announcing that the armistice with Austria had been signed. Hostilities will cease to-day at 3 P.M. The terms of the armistice will, it is learned on the best

authority, be published tomorrow. BALE — According to the "Arbeiter-Zeitung," there have been great popular demonstrations in Vienna. Crowds paraded the principal thoroughfares shouting: "Down with Wilhelm II!"

1943: Allied Air Victory

ALLIED HEADQUARTERS IN AUSTRALIA — [From our New York edition:] In support for the Solomon operations, the Southwest Pacific Air Force unleashed on Tuesday afternoon [Nov. 3] another terrific attack on the Japanese base at Rabaul, New Britain, and on a concentration of shipping which seemed to be assembling there for a counter-attack on the Allied forces invading Bougainville Island. Three destroyers, eight large merchant vessels and four small coastal vessels were sunk

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OPINION

Nuts to a 'War of Civilizations'

By William Pfaff

WASHINGTON — In the kingdom of the blind, the one-eyed man is king. Such is foreign policy Washington under the Clinton administration. The president knows that his test is to succeed with his domestic agenda. International politics do not greatly interest him.

He has named to his government's principal foreign policy post individuals who are experts without being conceptualizers. In the policy confusion that has followed, anyone with a big theory is listened to. People in and out of government want to be told the significance of things.

Thus, Professor Samuel Huntington of Harvard's well-timed essay, "The Clash of Civilizations?" (in the summer issue of *Foreign Affairs*), is widely cited in Washington as "the new 'X' article" — reference, of course, to the brilliant 1947 *Foreign Affairs* essay by George Kennan that provided the American government with the rationale for its policy of containment of Soviet communism.

Mr. Huntington's prophetic record is not as good as it might be. He produced an essay for the Trilateral Commission in the early 1980s that argued that Western democracy was in grave danger from communism because of its failure of morale and will. We know what actually happened.

His thesis today is that national and ideological conflicts are being replaced by conflict between civilizations. "The next world war, if there is one," he says, "will be a war between civilizations." Implicit in his discussion is that this war, if it comes, will be between Islamic civilization and the West, or between a "Confucian" Asian civilization and the West. (He believes that Japan cannot dominate East Asia but that China can.)

Mr. Huntington says that the wars of kings were replaced in the 18th and 19th centuries by the wars of nations, then by the wars of ideologies, and that now it is time for the wars of civilizations. Much that he says is interesting.

Some of it is true. The great civilizations are cultural and moral rivals. Members of these civilizations have fought in the past, although chiefly for religious rea-

sions. There are issues of conflict between Islamic and Asian states and the West today.

However, his claim that we have begun to make war between civilizations rests on the fact that Arabs and the West have struggled over Israel and oil, that Yugoslavia at war lies on the "fault line" dividing the Orthodox from Catholics, and both of them from Muslims, and that economic rivalry is rising between Asian nations and the West.

The Arab-Western conflict is mostly one of tangible political and economic issues: Israel's implantation in what formerly was Arab territory, and the control and exploitation of oil. It is true that Islamic fundamentalists preach opposition to Western civilization as such, but Islamic fundamentalists are not Islam. The main front in their battle is with other Muslims, as in Algeria and Egypt today.

The Gulf War was fought by Muslims and the major Western powers, but began with the invasion of one Islamic country by another and saw two of the principal Islamic powers, Egypt and Morocco, on the side of the West.

Anyone who thinks that the struggle in Bosnia is between Islamic and Christian civilizations displays how little he knows of Bosnia. Bosnia's Muslim society was integrally European, and the Bosnian government today still is the only one in ex-Yugoslavia that defends a pluralist, liberal and "Western" idea of society.

I have not the space to make detailed criticism of Mr. Huntington's argument. I will simply say that to translate the obvious differences and moral rivalries of civilizations into a foreign and strategic policy issue is a terrible error.

If tangible conflicts of economic interest (as over oil) or trade, or territorial and political conflicts (as over Israel), or ethnic nationalist conflict (as in the ex-Yugoslavia and the former Soviet Union) are interpreted as collisions of civilizations, they are thereby transferred from the realm of the negotiable and solvable into that of perpetual and unsolvable conflict.

I do not think that Mr. Hunting-

ton really understands what he has done. He has provided the rationale for something like racial war. Adherence to a civilization, like membership in a race, is unnegotiable and uncompromisable. It is unchosen and inescapable. If our future indeed is war between civilizations, then it is a future of perpetual and unendable war, or at least of wars endable only by extermination — which was Hitler's conception of his war against the Jews.

This is a desperate view of history, and expression of a total and irresponsible fatalism. It is morally as well as politically catastrophic in its implications.

It is also simply untrue. The potential as well as actual conflicts in the world today have to do with money, commerce, territory, and political and economic interest. They all can be dealt with through conventional political, economic or, if it comes to that, military measures. They have solutions. A conflict of civilizations has no solution.

The practical effect of Mr. Huntington's argument is to rationalize vulgar stereotypes of entire peoples and to license apocalyptic thinking of the kind that already in this century has given us a world war and the Cold War. That this should be taken seriously in Washington is deeply dismaying.

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Of Writers and Rewards: As They Lay Dying . . .

By Julia Wright

PARIS — As the daughter of the author Richard Wright, I would like to join the debate about the awarding of the Nobel Prize in Literature to Toni Morrison ("An Eccentric Selection From the Nobel Folks," Oct. 13). Mr. Yoder, "politically correct" or not, put his finger on a sensitive spot — the subtle and less subtle ways in which our great men and women have been rewarded, or not, for their works in this century.

The Nobel Prize, by its own terms, has to be awarded during a writer's lifetime; it carries a reward quantifiable in dollars and cents. I can't help suspecting that Jean-Paul Sartre's notorious rejection of the prize was less a refusal of the money than a criticism of the unexistential historical vision he felt it implied. For the slow, halting recognition given by history has a patina of its own, asserting its posthumous wisdom when the sound and fury of political storms and factionalism have long died down.

The poignant way Van Gogh and Mozart died, subsequently enriching the world not only with their genius but with the awareness of the cruel price they had paid for it, has grown into a modern myth, perhaps reflecting our age-old ambivalence toward the greatness of artists, writers and musicians in their lifetimes. There is a time for everything: portraits of the artist as a young man and portraits of the artist as a dead man.

Richard Wright did not die a pauper — but he died alone and broke, as I have documented in a forthcoming memoir about him.

I am convinced, however, that he stands immeasurably enriched by a renaissance that is returning him to the fore in his own country. The recurrent mention of his

MEANWHILE

name both in Mr. Yoder's column and in the letters it provoked is an award in itself. But I can't help wondering: What would prize-less but priceless writers like Gertrude Stein, James Joyce, Richard Wright or James Baldwin have said if they had been given the choice between contemporary Nobelization and posthumous recognition? I can almost hear outbursts of surrealistic graveyard humor from those four, wherever they are now. We can only imagine what their choices might have been.

But a fact is a fact: In 1960, Richard Wright had definite echoes of his Nobel nomination — and then died unexpectedly, only weeks after Saint-John Perse was announced as that year's laureate. In an interesting parallel, James Baldwin (I knew him as Jimmy) was shortlisted in 1957 for the prestigious Prix

Femina Etranger in France — as he lay terminally ill, and was known to be so, at least in the Paris literary circles I was in touch with. Jimmy Baldwin died within days of learning that he had, yet again, not been chosen. He had already been bypassed for the National Book Award and the Pulitzer.

What are we to make of all this? Nothing, or everything, depending on whether we accord more importance to the fiery and fragile judgment of men or to the slow, sober verdict of history.

At the risk of seeming predictably pedantic, I see Richard Wright and Jimmy Baldwin as wounded giants who were arguably the first to cut their way into the dangerous jungle of "the enemy's language," uprooting the taboo of silence around "how it really feels to be black" and asserting the creative terrain that they thereby gained as "a language within a language," to borrow the terminology which the French philosopher Gilles Deleuze used recently about Franz Kafka.

This is not to deny that Richard Wright and Jimmy Baldwin had their differences, though my own perception of their so-called literary feud is that it was blown out of all proportion. And I still see them as having cleared an alien and tangled forest of the words-not-to-say-it, as having created a spacious area in which writers of Toni Morrison's splendid giftedness could gyrate freely and gracefully. In turn, Toni Morrison will enlarge that

clearing for her literary sons and daughters to dance in and salute her — perhaps even to surpass her.

However, where history connects, prizes may divide. And it is true that the wounds sustained by Richard Wright and Jimmy Baldwin in this invisible war of theirs have gone unattended on the Nobel front. But these two men were very real veterans, for they wrote against a double historical grain: first, the near impenetrable pre-civil rights language of Jim Crow ethics, and second, the dominant obsessions and strictures of the Cold War.

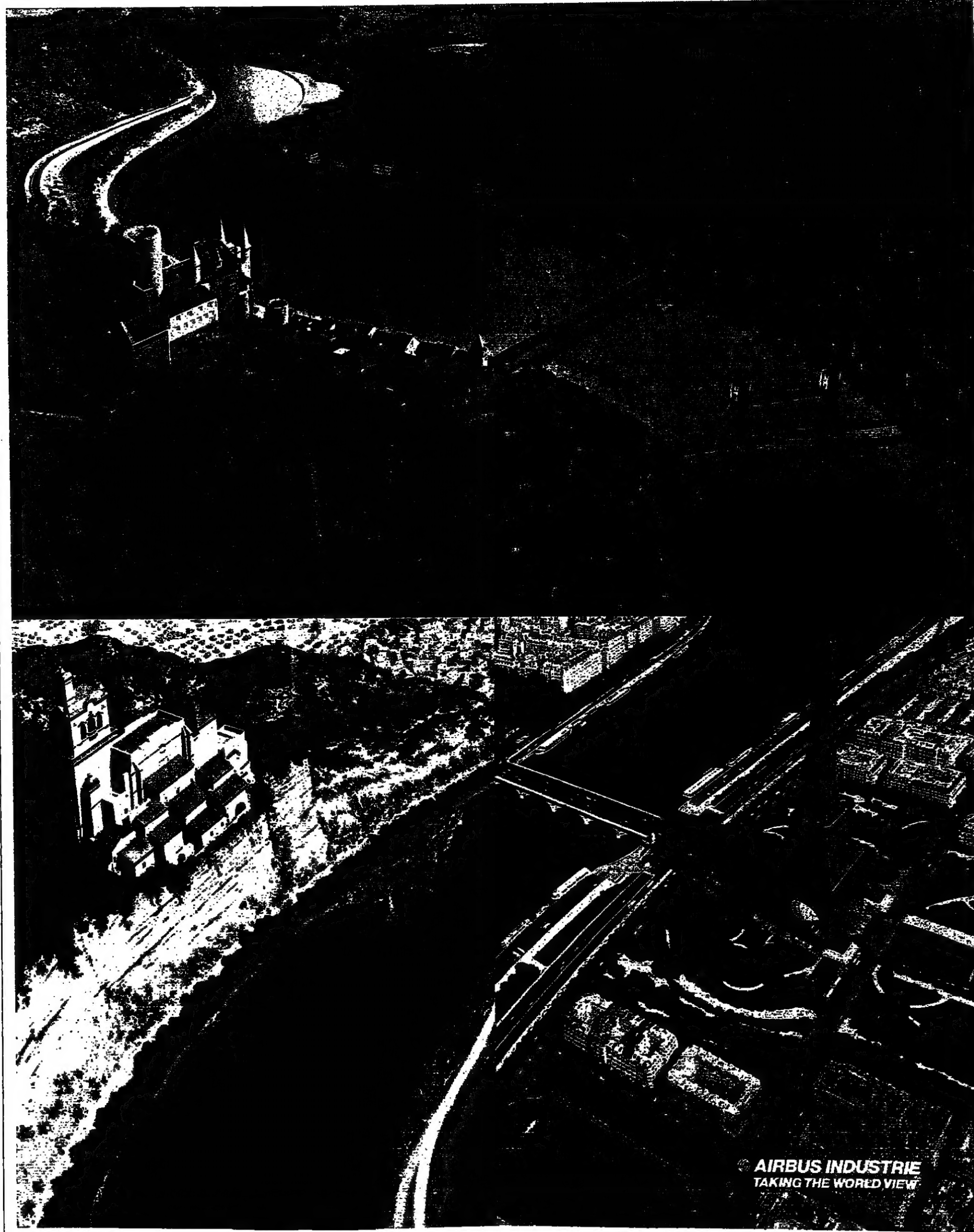
As Natalie Robins asks in her recent penetrating analysis of the FBI dossiers that were amassed around a galaxy of this century's greatest American writers: Can the damage to their creativity ever be traced, assessed, quantified? Can it, I would add, ever be recognized and repaired? This question is central to our historical assessment of the noble (rather than Nobel) stamina of Richard Wright, Jimmy Baldwin and others: Will we ever know what hidden springs of artistry dried up when their privacy, so necessary to creativity, was being monitored and trespassed upon?

I, for one, having lived in my father's house and valued Jimmy Baldwin's friendship, know that these literary veterans were too seldom offered laurels to rest upon during the thaw-less, thankless era of our mid-century segregation and glaciation.

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LETTERS TO THE EDITOR

Abroad and Left Out

Regarding the report "Clinton Ships Health Plan Into Certain Legislative Storm" (Oct. 28):

President Bill Clinton says that he wants a bill "that will actually guarantee health security to every citizen of this great country."

"Every citizen?" What about American citizens abroad?

The first signs are not encouraging. It seems that the Clinton health guru, Ira Magaziner, without consulting the American community abroad, has closed and bolted the door to its participation.

It looks as if strong and united efforts from Americans abroad will be needed if this is to be reversed. Otherwise we will again find ourselves paying taxes — and probably higher taxes — for something we are blocked from participating in.

FRANCIS M. S. PEEL

Geneva.

Administrated Health

I think no one has so succinctly described the situation regarding President Bill Clinton's proposed health care system as the doctor who said, "I am not for change if it shifts dollars from those who provide health care into the pockets of those who regulate care."

SAMI-VICTOR ELIAS

Orsay, France.

A Republican Future

A Republican clean sweep in New York, New Jersey and Virginia. What a blow to the Clinton-Streisand administration! If Bill and Barbara can just stay in place for a couple of years, every town, city and state in America will be Republican-led. Then we voters can start to work on Congress, which clearly has not gotten the message about America's concern for jobs and international trade.

Sooner or later we the people are going to replace these time wasters and big spenders with citizens concerned with protecting the nation's prestige and power and its citizens' safety and economic well-being.

JAMES R. FEES

Geneva.

Turkey's Sacrifices

Regarding "Here's a Better Road for Turkey to Travel" (Opinion, Oct. 29) by William Safire:

Mr. Safire shows how little he understands Turkey's current policy and its sacrifices regarding Operation Desert Storm.

Our sacrifices include not only billions of dollars in losses and an estrangement from the Arab world, but, more gravely, a big increase in attacks against Turkey from northern Iraq, which has turned into a haven for Kurdish terrorists — thanks to Operation Provide Comfort, led by our great American ally.

It is worth reminding Mr. Safire that the United States did not hesitate to make the Arabs, Germany and Japan pay its Desert Storm-related expenses almost before the war had ended. So much for the ally whose cooperation and leadership are not for sale.

MUHTITIN KARA

Brussels.

Mr. Safire is correct in his analysis of the character of Turkey's alliance with the United States. But he is wrong to assert that Turkey's new prime minister, Tansu Ciller, by helping Iraqi Kurds achieve "pro-

perous autonomy," will encourage Kurds in Turkey to become "loyal Kurdish Turks."

The Kurdish people, wherever they are, dream of an independent United Kurdistan and can be loyal Kurds only to their own country.

HAIK ARSLANIAN

Antwerp, Belgium.

Yeltsin the Imperfect

Regarding "Yeltsin Was Supposed to Build Democratic Consensus" (Opinion, Oct. 13):

Stephane F. Cohen selectively rearranges the context of Boris Yeltsin's recent actions and claims that he could and should have done this and that. But the fact remains that the Russian parliament was the main roadblock to serious democratic and market reforms — as Western governments have acknowledged again and again. They surely have enough information on which to base their support.

Mr. Yeltsin is no democrat in the sense that we understand the term. His team must be watched carefully. But it was Mikhail Gorbachev — already a historic figure in Mr. Cohen's romantic mythology — who packed parliament with reactionary forces in the first place. Let us see if Mr. Cohen remembers that as he waxes enthusiastic, next about Mr. Gorbachev's possible run for the Russian presidency.

JURIS MAZUTIS

Nepean, Ontario.

Pornography's Role

Regarding "The Professor Declares War on Free Speech" (Opinion, Oct. 28):

George F. Will claims that "women's status tends to be lower where, as in Islamic nations, pornography is suppressed." I am sure that many women will be surprised to learn that, according to Mr. Will, pornography somehow heightens their status in society.

The fact that pornography is suppressed in Islamic countries, where the status of women is low, is merely a coincidence. Granted, pornography is not the sole cause of violence against women, but it is unquestionably a large factor.

Our culture continues to depict and treat women as male subordinates — a tradition now being defended in the name of free speech. The underlying struggle is still one for equal rights and dignity.

PETER HERBERT

Villeurbanne, France.

What Does It All Mean?

Regarding "Waiting for Meaning in a Post-Cold War World" (Opinion, Oct. 31):

Richard Cohen seems to be a lost soul now that the Cold War has ended and there is no neat packet of villains and no Ronald Reagan to give structure or meaning to the news. Poor dear.

MARK CHERNIACK

Dhaka, Bangladesh.

Harpoons at 20 Paces

Regarding a European Topics item (Oct. 22):

Has anyone considered arming the minke whales so they can hunt Norwegians? It would be interesting to learn how the average killing time for Norwegians would compare to the average for whales.

JOSH GIBSON

Paris.

البيان العربي

Thais Step Back After Libya Orders 5,500 Expulsions

Agence France-Press
BANGKOK — Thailand wants to avoid getting involved in a confrontation between the United States and Libya, but is determined to abide by a UN convention banning chemical weapons, Foreign Minister Prasong Soonsiri was quoted Wednesday as saying.

Mr. Prasong was reacting to reports that Libya had ordered 5,500 Thai workers to be sent home in retaliation for Bangkok moving to end any Thai role in producing illegal chemical weapons in Libya.

Bangkok has been under pressure from Washington in recent months to crack down on Thai agencies that allegedly have sent workers to Libya to help build chemical weapons plants.

"Thailand, as a signatory country of the anti-chemical weapons convention," Mr. Prasong said, "will abide by any requirement stated in it."

He said he had instructed the Thai ambassador to Greece, who is also accredited to Libya, to tell Libya that Bangkok was honoring the weapons convention and was not following Washington's directives.

The deputy labor minister, Paitoon Kaewthong, said this week that the Thai labor consultant in Libya had reported that the Donga Consortium of South Korea, which is engaged in construction work in Libya, had been told by Libya to dismiss 5,500 Thai workers as soon as possible.

On Friday, the U.S. ambassador, David F. Lambertson, reportedly asked Interior Minister Chaowalit Yongchaiyuth to screen the job agencies and penalize those that try to cover their tracks by sending workers to Libya via third countries.

Since September, Thai authorities have shut two such agencies and arrested the owner of an engineering company suspected of involvement in building the underground plants.

About 25,000 Thais work in Libya, most of them in the construction industry. Several hundred are alleged to be involved in building chemical weapons facilities.

Washington has warned that it could not guarantee the safety of Thai workers in Libya if the United States were to take military action there.

New Mayor Backs Jews' Settlements

The Associated Press
JERUSALEM — Ehud Olmert, the rightist lawyer who toppled Jerusalem's celebrated Mayor Teddy Kollek, declared his support on Wednesday for Jewish settlement in Arab areas of Jerusalem, a statement that provoked alarm among Palestinians.

Mr. Olmert, a former cabinet minister and rising power in the Likud party, defeated Mr. Kollek in an election Tuesday, ending Mr. Kollek's 28-year tenure as mayor of this holy city where Palestinian-Israeli relations are especially sensitive.

Mr. Olmert said in an interview with Israel Radio that he would not oppose Jewish settlement in Arab neighborhoods and indicated that a settlement recently set up on the Mount of Olives would not be torn down as Palestinians have demanded.

"Every Jew can purchase property anywhere in Jerusalem and anywhere in the land of Israel, and I don't conceive of seeing otherwise," he said.

Mr. Olmert will take office after official results are posted.



Mr. Kollek, 82, outside his home in Jerusalem on Wednesday.

2 New Yorkers Refought It, And This Time It Was Giuliani

By Todd S. Purdum
New York Times Service

NEW YORK — Rudolph William Giuliani, a tavern owner's son who challenged Wall Street, political corruption and the mob as one of the nation's fiercest prosecutors, edged David N. Dinkins for the right to take on municipal government and become the 107th mayor of New York City and the first Republican to lead it in a generation.

In a near-miraculous image of his two-percentage-point loss to Mr. Dinkins four years ago, Mr. Giuliani won on Tuesday by sweeping the white ethnic neighborhoods in Brooklyn, Queens and Staten Island that have been his political base, solidifying his hold on Republicans and drawing wings of new support from crossover Democrats. But he fell short of creating the broad new moderate coalition he had hoped for.

Mr. Dinkins, the old-line liberal Democrat who had pieced together a fragile interracial alliance to become New York City's first black mayor, ran a feisty campaign and held onto almost all of it, but not enough to avoid becoming the first black mayor of a major American city to be defeated in his first reelection bid.

With 100 percent of election dis-

What Succeeds Like Secession?

New York Times Service

NEW YORK — Residents of Staten Island have taken a step toward severing their ties to New York City by approving a new city charter that is both a declaration of independence and the political foundation for what could become the state's second-largest city.

"We have a groundswell of feeling," said state Senator John J. Marchi, a Staten Island Republican who is considered a founding father of the secessionist movement. "Staten Island has the opportunity to participate in the creation of a city."

The stage is set for a complex political struggle in the state capital, Albany, where the legislature must act to approve Staten Island's independence.

The Democratic-controlled Assembly is expected to oppose secession, largely because almost half its members come from the city and are loath to see it divided.

tricts reporting in unofficial returns, the vote was: Mr. Giuliani 903,114 (50.7 percent); Mr. Dinkins 858,868 (48.3 percent); George J. Marlin, the nominee of the Conservative and Right to Life Parties, 10,287 (1 percent).

In all but its outcome, the election was a striking replay of the 1993 contest, according to surveys of voters leaving the polls by Voter Research and Surveys, a consortium of four television networks. In virtually all broad demographic and political categories, Mr. Dinkins did about as well as he had four years ago.

He won more than 90 percent of the black vote, about one-quarter of the white vote, nearly two-thirds of the Hispanic vote and nearly 4 in 10 Jewish votes — all comparable to his 1989 tally. The mayor held onto 7 in 10 Democrats, and white liberal voters remained evenly split.

Only among Republicans and voters with high school diplomas did Mr. Giuliani do appreciably better than last time, holding on to 9 in 10 Republican votes, compared with 8 in 10 last time, and winning the support of nearly 6 in 10 high school graduates, compared with 4 in 10. Mr. Dinkins did notably better only among voters with incomes greater than \$100,000 a year, taking nearly 4 in 10 of their votes.

Highlights of U.S. Voting

The Associated Press

Governors:

NEW JERSEY: Christine Todd Whitman, a Republican, defeated Jim Florio, the incumbent Democrat.
VIRGINIA: George Allen ended 12 years of Democratic Statehouse control by defeating Mary Sue Terry. Virginia law barred Governor L. Douglas Wilder, a Democrat, from running for reelection.

Mayors:

BOSTON: Acting Mayor Thomas Menino defeated state Representative James Brett in a nonpartisan race. Mayor Raymond Flynn, a Democrat, had quit to become ambassador to the Vatican.

CLEVELAND: Mayor Michael White won a second term as a nonpartisan candidate.

DETROIT: A former state Supreme Court judge, Dennis Archer, defeated a prosecutor, Sharon McPhail, in a nonpartisan runoff to replace Mayor Coleman A. Young, a nonpartisan, who is retiring.

HOUSTON: Bob Lanier was elected to a second two-year term. He had taken opposition in a four-way nonpartisan race.

MINNEAPOLIS: The City Council president, Sharon Sayles Belton, defeated a former county commissioner, John Denu, in a nonpartisan race. Mayor Don Fraser, a Democrat, is retiring.

NEW YORK: The Republican challenger, Rudolph W. Giuliani, narrowly defeated David N. Dinkins, the city's first black mayor.

PITTSBURGH: Tom Murphy, a Democrat, defeated a Republican, Kathy Matta, and an independent, Duane Dinkins.

ST. PAUL, MINNESOTA: State Attorney Norm Coleman defeated Andy Dawkins, a state legislator. Mayor Jim Scheibel, a nonpartisan, did not seek reelection.

SEATTLE: The incumbent, Norm Rice, won a nonpartisan rematch with David Stern, an advertising executive.

Propositions:

SCHOOL VOUCHERS: Voters defeated a California proposition to provide vouchers worth \$2,600 for every school-age child to use at any public or private school.

TERM LIMITS: New York City and Maine voters approved term limits for elected officials.

TAXES: Voters rejected a measure to repeal \$1 billion in tax increases and to the tax increases to population growth and inflation. A measure that would link tax increases to average personal income was too close to call.

GAY RIGHTS: Voters in Lewiston, Maine, and Cincinnati repealed gay-rights ordinances. Voters in Portsmouth, New Hampshire, voted against gay rights in a nonbinding referendum.

PRISON: Washington state voters passed a "three strikes, you're out" measure, which would mandate life terms without parole for three-time felons.

ZONING: Voters kept Houston the nation's largest unzoned city, defeating a zoning ordinance.

DUMMY: San Francisco voters allowed a police officer, Bob Geary, to go on patrol with his ventriloquist's dummy, Officer Brendan O'Smarty.

VOTE: Fresh Warning to Clinton

Continued from Page 1

higher taxes. That trend has already been felt in Congress, where Mr. Clinton has been forced to lower his sights on possible new federal revenues to balance the budget and pay for the health plan.

Three years after the tax increase, Mr. Florio remained highly unpopular, but he battled back during the lackluster campaign of Mrs. Whitman, a millionaire who had admitted hiring illegal aliens.

After nearly winning a U.S. Senate seat in 1990, she becomes New Jersey's first woman governor. But she also must fulfill a campaign vow to cut state revenues by 30 percent, a promise that many voters viewed as utopian.

Some lawmakers will also see in the overall results omens for Mr. Clinton's effort to pass anti-crime legislation, including a five-day waiting period for the purchase of handguns. Crime was considered a major issue in the three key races.

But the voters' signal was mixed. Although the Democratic candidates in New Jersey and Virginia gained in opinion polls on the strength of their gun-control stands, both ultimately lost.

In New York, the Dinkins-Giuliani race was a replay of a very close 1993 finish. Some analysts suggested that Mr. Dinkins lost narrowly on Tuesday because he had failed to quell racial quickly disturbances in the Crown Heights, Brooklyn, neighborhood in 1991.

But others noted that a much larger-than-usual turnout of white voters in the Staten Island section of the city helped tip the balance to Mr. Giuliani, who is white. Staten Island flooded the polls to register an overwhelming, though nonbinding, sentiment to secede from the city.

Mr. Allen, a former member of Congress and a staunch conservative, is the son of the renowned former coach of the Washington Redskins football team. He has promised to abolish parole, build more prisons and cut state spending.

Many Republican conservatives were disappointed that Californians easily rejected a referendum that would have offered public funds to private schools through a voucher system for parents of schoolchildren. The so-called school-choice issue is among the top goals of many Republican candidates, but teacher unions and parent-teacher associations in California raised a campaign war chest to defeat the measure soundly.

California Rejects Voucher Plan for Private Schools

Los Angeles Times Service

LOS ANGELES — An initiative that would have brought radical change to California schools has been defeated by a large margin: concurrently, voters reversed a 15-year trend by deciding to authorize an additional half-cent sales tax.

Californians, in voting Tuesday, soundly rejected a plan to let parents use tax-funded vouchers to pay their children's tuition at private schools. With a broad coalition of political, union and business interests allied against it, Proposition 17A, the Education Vouchers Initiative, lost by a margin of more than 2 to 1.

The loss was a setback for the fledgling national movement to privatize education. It had hoped that a victory in the most populous U.S. state would fuel efforts to expand "school choice" to include private and parochial schools. But officials, academics and educators say they are taking note of opinion polls showing that almost no one believes public schools are doing an adequate job educating the state's children.

In the other initiative with national implications, California voters bucked a 15-year anti-tax tide by approving an annual sales tax levy to raise about \$1.5 billion to support fire and police departments and other local public safety programs.

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THAI AIRWAYS INTERNATIONAL

Fearing Reprisal, Tokyo and Seoul Urge Delay on North

By David E. Sanger

SEOUL — Japan and South Korea, America's two most important allies in Asia, have urged Defense Secretary Les Aspin to avoid imposing sanctions against North Korea as long as possible, saying that action to force it to open its nuclear sites to inspection could lead to terrorism campaigns or military attack if the North's secretive government felt cornered.

But at the same time, officials in the two countries told Mr. Aspin that they would have no choice but to proceed with United Nations-imposed sanctions if the International Atomic Energy Agency declared that it could no longer verify that nuclear material was not being diverted to a weapons project.

The Pentagon had expected the director of the agency, Hans Blix, to make such a statement at the United Nations on Monday, but he stopped just short of such a declaration.

Mr. Aspin is in Seoul on a four-day trip to reassess the Clinton administration's strategy for dealing with

the North Korean nuclear threat. Senior military officials traveling with him say the allies' reluctance to back up some strongly worded warnings to North Korea with action — a reluctance that many in Washington share — has left the Clinton administration with another major foreign policy problem with few good options.

North Korea is the test case, they said, of the administration's commitment to its so-called "counterproliferation" strategy of preventing regional powers from developing nuclear weapons.

But a top military officer on the trip said Wednesday night that the challenge posed by the North's continued refusal to allow international inspection "is in many ways much tougher and more dangerous than Somalia and Bosnia."

"Our interests are much greater in Asia," the official said, and there is the possibility of "huge casualties if we make a misstep." The United States has about 80,000 troops stationed in South Korea and Japan.

Mr. Aspin's trip comes amid new signals from

South Korea defense minister, who is among the more hawkish members of the Seoul government in dealing with the nuclear problem.

The cautious Mr. Aspin conceded that United Nations-imposed sanctions might not work. "There are a lot of questions in connection with sanctions — are they appropriate, would they work, would they have the desired outcome?" he said Wednesday just before he departed for Tokyo for Seoul.

But he repeated several warnings to the North, and said that President Bill Clinton's declaration in July that a North Korean attack on the South "would be the end of their country" is still in effect.

At the core of the argument over economic sanctions is the question of whether one can effectively isolate the world's most isolated country. Many officials also believe that China, the last nation that appears to hold some sway over the government of the 81-year-old Kim Il Sung, would not enforce any sanctions and permit food and fuel to continue to be traded across its border with the North.

On Monday, the North let slip by a loose deadline set by Mr. Blix to let agency inspectors replace film and batteries in failing monitoring devices at Yongbyon, the heavily guarded nuclear complex 100 kilometers (60 miles) north of Pyongyang.

But because Mr. Blix has not yet declared that the "continuity" of inspections has failed — even though many American experts believe it has — North Korea could still meet the continuity requirement by allowing inspectors in the next week or two.

On Wednesday, however, the North abruptly canceled talks scheduled for Thursday with South Korea. "I think this is something that the North has been planning for some time," said Kwon Young Hae, the

An Apology to the Empress

The Associated Press

TOKYO — A magazine under fire for publishing a series of articles critical of Empress Michiko has apologized to the Imperial Palace, officials said Wednesday.

According to the palace, the Shukan Bunshun, Japan's most widely read weekly, has also promised to publish a formal apology in its next issue.

The magazine has informed us that they have earnestly taken our position into account and will apologize for expressions that might have invited misunderstanding," the palace said in a statement.

Empress Michiko, who over the last three months had been the target of press criticism, collapsed on her 59th birthday two weeks ago. She remains unable to speak but is otherwise healthy.

On the day before she fell ill, the empress issued an extremely rare statement saying that false reports about her had caused her "deep sadness and bewilderment."

Talks Collapse on Ending Kashmir Shrine Siege

Agence France Press

SRINAGAR, India — An agreement to end the Indian Army's siege of the mosque where Kashmir Muslim militants have been holed up for 19 days collapsed Wednesday, the chief government negotiator said.

"I am deeply disappointed," said Wajihul Habibullah, a high Kashmiri official who has headed the talks with the rebels. "I was hopeful that everything would be over today but unfortunately something

somewhere went wrong." He declined to reveal what had blocked a peaceful settlement to the standoff.

Mr. Habibullah said that he held four rounds of talks Wednesday with the representatives of the 50 armed Kashmiri separatists who were inside the Hazratbal mosque on the banks of Srinagar's Dal Lake.

The separatists and 60 to 70 other people have been trapped inside the white marble mosque since it was surrounded by thousands of troops on Oct. 15 during a sweep against insurgents.

A senior official, Mehmood ur-Rehman, said earlier that an agreement had been reached during talks overnight and that the militants would leave the complex during the day.

The militants, he said, would be separated from the others.

"The law will take its course," Mr. Rehman said, and those rebels who do not already face charges of serious crimes are expected to be let off on bail as part of the agreement.

There was hectic activity around the shrine amid expectations the drama was drawing to a close.

Teams from the Border Security Force accompanied by masked informants were sent to the mosque to help identify the people leaving the shrine.

Muslim clerics were brought to the mosque to inspect a relic — a whisker believed to come from the beard of the Prophet Mohammed — to ensure it had not been defiled. They were sent home after night-fall.

Bonn Vows Fast Action In Attack on American

Reuters

BONN — The German government called Wednesday for fast legal action against racist attacks on U.S. athletes, but the athlete at the center of the dispute said he blamed only the skinheads, not the whole country.

The government spokesman, Dieter Vogel, said Chancellor Helmut Kohl hoped Germany's reputation for welcoming visiting sports people would not be undone by "a few crazy fanatics."

He said the government expected justice authorities in the eastern state of Thuringen to prosecute the attackers rapidly.

But Duncan Kennedy, the U.S. tobogganer beaten up in the Eastern German winter sports resort of Oberhof over the weekend, said he did not blame Germans at large.

A white, he was assaulted by about 15 skinheads at a disco the night after intervening to keep them away from a black teammate whom they were assaulting.

Mr. Kennedy, who had been training in Oberhof with the rest of the U.S. luge team for the Winter Olympics, told German radio that many Germans had told him how sorry they were.

"But I tried to explain that it wasn't their fault, nor the fault of Germany or Oberhof, but only the fault of the skinheads," he said.

Mr. Kennedy said the problem went beyond Germany. "This is a worldwide problem," he said, "especially in the U.S., too."

The U.S. Embassy in Bonn welcomed the condemnations from national and regional officials. It added that the U.S. Luge Association had said that the team still planned to take part in a World Cup event in Oberhof in January.

It said the Thuringen state premier, Bernhard Vogel, had telephoned the U.S. ambassador, Richard Holbrooke, now in the United States for consultations, to express his outrage.

The mayor of Oberhof has sent an apology to President Bill Clinton, and the townspeople, fearing for the town's reputation as a resort and competition center, called a meeting to condemn the attack.

Hein-Jürgen Nebel, the investigating state prosecutor, said that 12 police officers were on the case but that it could take two weeks for charges to be brought.

Severo Ochoa, 88, Dies, RNA Work Won a Nobel

New York Times Service

Severo Ochoa, 88, a biochemist who won a Nobel Prize for his discovery of an enzyme that can synthesize RNA, a nucleic acid that is a vital part of the genetic machinery of living cells, died of pneumonia Monday in Madrid.

Arthur Kornberg shared the Nobel Prize in Physiology or Medicine in 1959 with Dr. Ochoa and worked a postdoctoral student in his laboratory. He said Dr. Ochoa was "a fine teacher, a person of great enthusiasm and optimism."

Two characteristics earned Dr. Ochoa the esteem of his colleagues and scientific honors. One was his unlimited enthusiasm for dealing with recalcitrant problems in the life sciences. The other was a subtle and lucid mind that enabled him to grasp and comprehend the complexities of basic biochemistry.

"Ochoa's attitude toward science is exemplary," an admiring associate, Francis Grande, wrote. "For him, science is primarily an intellectual adventure — the search of truth for truth's sake, an endeavor to a better understanding of the practical advantages which may be derived."

The same associate also paid tribute to the Spanish-born scientist's "modesty, the warmth of his heart and his innate kindness."

And indeed, Dr. Ochoa, for all his immersion in pure research, was wholly aware of the world around him. He considered himself a liberal in politics and as an opponent of nuclear testing. He also made no secret of his sympathy with the former Republican government in Spain and his support of social pluralism. He considered an open society vital to science.

The discovery for which he received the Nobel Prize in 1959 was made in 1955. It was a bacterial enzyme, or biological catalyst, that can synthesize in the test tube the vital life substance named ribonucleic acid, or RNA, from its chemical units. He shared the prize with Dr. Kornberg, who was cited for discovering a different bacterial enzyme with the ability to synthesize another vital life chemical — deoxyribonucleic acid, or DNA.

John Gilbert Winant Jr., 71, prominent POW in 1942-45 PRINCETON, New Jersey (NYT) — John Gilbert Winant Jr., 71, who was captured by the Germans during World War II while his father was the U.S. ambassador to Britain, died Sunday after a long illness.

Mr. Winant was attending

Princeton University as sophomore at 21 in 1942 when he enlisted in the U.S. Army Air Corps. A first lieutenant, he served as a B-17 pilot in the 8th Air Force based in England.

On his 13th combat mission, over the city of Münster, his Flying Fortress was shot down. He was reported missing in action in October 1943, and his fate made headlines. But he was captured and held by the Germans in a camp with leading politicians and notables from occupied countries. He and the others became hostages of the Nazi SS leader, Heinrich Himmler, who was said to have ordered them to be taken to the Black Forest and executed.

But the officer in charge of the operation headed a Red Cross demand for safe passage through German lines. Mr. Winant reached an American command post in Austria on May 7, 1945.

Lipman Bers, 79, Got Visas For Soviet Mathematicians NEW YORK (AP) — Lipman Bers, 79, a retired Columbia University mathematician and champion of human rights who was instrumental in securing exit visas for Soviet mathematicians, died Friday after a series of strokes.

Mr. Bers founded the Committee on Human Rights of the National Academy of Sciences. In the 1970s, he helped secure exit visas for such mathematicians as Yuri Shikharovich, Leonid Pynushch and Valentin F. Turchin. He was also a vocal supporter of physicist Andrei D. Sakharov and his wife, Yelena G. Bonner.

Roman Zelensky, 41, deputy chairman of Slovakia's governing Movement for a Democratic Slovakia, died Monday in a car crash in the Czech Republic, Slovak Interior Ministry officials said. He was a stalwart supporter of Prime Minister Vladimir Meciar's drive for Slovak independence.

Ulf Björklund, 60, a Swedish composer and conductor, died of leukemia Oct. 23 in West Palm Beach, Florida. He created the "Musical Portrait of Raoul Wallenberg," written by Herb Schapiro.

Samuel Jackson, 100, grandfather of Michael Jackson, died Sunday in a nursing home in a poor section of Phoenix, Arizona.

Adrian Venema, 52, who shook the Dutch cultural world with his exposes of artists and writers, he claimed collaborated with the Nazis, apparently committed suicide Sunday in Amsterdam.

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Fresh Fires Destroy 200 Homes in the Malibu Area

Compiled by Our Staff From Dispatches

MALIBU, California—Facing a tamer wind, thousands of fire fighters challenged walls of flame with water and fire retardant on Wednesday, stemming an onslaught that had destroyed 200 canyon ranches and seaside mansions.

"Our belief is the worst is over, that we're going to stop virtually on this line here," the Los Angeles fire chief, Donald Manning, said as the still out-of-control Malibu-area blaze crept eastward toward the Los Angeles city limit.

This particular fire had injured 120 fire fighters and three civilians since it was first reported Tuesday morning. Two men were critically burned, including a Hollywood screenwriter and director, Duncan Gib-

bins, 41, who was injured while trying to save a cat. Wednesday was Southern California's eighth day of wildfires. Twice in the last week, fire storms have gutted whole neighborhoods. The week's toll rose to more than 215,000 acres (87,000 hectares) of land scorched and 1,000 homes destroyed. At daybreak, flames were still leaping 50 yards into the air, climbing canyons and incinerating buildings.

A force of nearly 5,000 fire fighters started their attack after dawn, as the ferocious winds that drove the fire unchecked for 20 hours subsided.

"The bottom line is it depends on the wind," said a county fire inspector, Jack Pritchard. "We can talk about what we're going to do, but if the winds are blowing, Mother Nature is going to get what she wants."

Mr. Manning said six C-130 cargo planes were covering Topanga Canyon on the fire's east side with thousands of gallons of fire retardant to stop its movement toward hundreds of homes in the Pacific Palisades area of Los Angeles.

Besides the Malibu fire, which covered 35,000 acres, fires were reported to the east and south in Riverside, San Bernardino and San Diego counties.

The fire at Malibu—a city of 15,000 that winds along 27 beachfront miles (44 kilometers)—erupted Tuesday as hot, dry Santa Ana winds gusting up to 53 miles per hour returned to Southern California. The cause of the fire remained under investigation.

"It just came thundering down," said Richard C. Matheson, a writer who believes his house burned after he fled. "By the time I left, it looked like 'Apocalypse Now.'"

Deborah Carpenter, barefoot, in shorts, her face streaked with soot, stood at the water's edge clutching her 18-month-old son as the hillside above her blazed a bright crimson in the night.

"I had him wrapped up in a wet towel," she said. "He was screaming. We stood on the beach and watched our house burn."

Mansions belonging to the actors Charles Bronson, Sean Penn and Bruce Willis were damaged or destroyed during the night, according to news reports. Malibu Colony, the wealthy gated enclave of movie stars and millionaires that is the heart of the city, was largely spared.

"At this time it's safe," said a county fire inspector, Dan Erel. "But due to the erratic wind conditions you can never have any guarantee anymore." (AP, Reuters)

DENG: China Preparing for End

Continued from Page 1

democracy protesters in Beijing in June 1989 was a Columbia University physics professor and Nobel laureate, T. D. Lee, described as an old acquaintance of the Chinese leader.

In a 70-minute conversation, Mr. Deng told Mr. Lee that Prime Minister Zhao Ziyang had been "exposed" for "splitting" the Chinese leadership over how to deal with hundreds of thousands of pro-democracy demonstrators who occupied the center of the capital that spring.

"Fortunately," Mr. Deng said, "I was still there to deal with it and it was not difficult."

Referring to the decision to dismiss Mr. Zhao and order the military crackdown in which hundreds if not thousands of students were killed, Mr. Deng added, "Of course, I was not the only one who played a role."

"If those people who caused the turmoil won," he said, "there would be a civil war. Of course our side would win the victory if a civil war broke out, but who knows how many people would die. That would really damage the tendon and the bones."

Another prominent American visitor to Mr. Deng upon his retirement in the fall of 1989 was Richard Nixon, who as president engineered the U.S. opening to China in 1972 after a long dormancy during the Cold War.

In their Oct. 31 meeting, Mr. Deng attacked the Voice of America for conveying in its shortwave broadcasts a "rivers of blood" image of the Tiananmen crackdown.

He told Mr. Nixon that students who demonstrated and signed petitions would be forgiven. But from the text made public this week, Mr. Deng gave no hint that China would later arrest and put on trial dozens of pro-democracy students who were branded as ring leaders or "black hands" behind the uprising.

Mr. Deng asked Mr. Nixon to tell President Bush that "America

should take the initiative" in lifting sanctions imposed after the crackdown, many of which still apply today.

"If you want China to beg, it can't be arranged," he said. "Even if extended 100 years, the Chinese people will not beg for the lifting of sanctions."

The last and most recent selection includes Mr. Deng's so-called southern campaign in early 1992 to fight back opposition to the pace of China's economic expansion by hard-line conservatives.

His crusade through Shanghai and Guangdong Province further ignited China's economy to the point that 17 months later, the U.S. Central Intelligence Agency was warning that the economic frenzy in China was threatening to spin out of control.

"Whoever wants to change this will be overthrown," Mr. Deng said of his economic program, adding that the only way to keep 1.1 billion Chinese people from rebelling over their plight was prosperity.

"We must match the opportunity to grow fast," he said, even if such growth was chaotic and unstable. "For such a big country like ours," he said, "it's impossible to be stable all the time if we want to develop faster."

The official Xinhua press agency said that Mr. Deng had personally guided the selections in the new volume.

RUSSIA: 'No-First-Use' Nuclear Policy Abandoned

Continued from Page 1

lieved that," he said, "it doesn't mean any change in operations, in readiness, in technology, targeting. It's just a very practical statement for a country that now has few other ways of warning off attacks on its territory."

With Russia's conventional forces in disarray, Western experts said, the country evidently thought it needed to remind potential aggressors, especially China, that it was prepared to use nuclear weapons in its defense. Russia has direct control over about 6,200 strategic warheads on missiles, bombers and submarines, plus several thousand tactical nuclear weapons, most of which are slated for dismantling.

"One of the ironies of history is that with the dissipation of the Cold War, they become more attached to nukes," said a Western diplomat.

General Grachev said at the press conference that the military doctrine itself would not be published, though he and other officials quoted extensive portions of the 23-page document. The document, long in preparation, was adopted on Tuesday by President Boris N. Yeltsin's Security Council.

a presidential committee that unites top security and government officials and establishes Russia's security policies.

The doctrine amounts to a political statement of guiding principles for the Russian Army for a transitional period. Basically, it confirmed what was already evident—that the main source of military danger to Russia was no longer any single nation or alliance, but small regional conflicts, of which about 30 have already broken out on Russia's borders. Accordingly, Russia's focus was what resources it has on rapid-deployment forces rather than massive land armies, which it can no longer afford.

Unlike American defense plans, the doctrine did not spell out the size of the armed forces or the scope of military spending. Western experts said it seemed to consist largely of generalities that the army and government could interpret relatively broadly as Russia struggled with chaos in its economy, government and politics.

In the past, General Grachev has indicated that the armed forces would be scaled down to about 1.2 million, but he indicated Wednesday that this was also up for review.

The idea of keeping armed forces to 1 percent of the population had come from the disbanded Supreme Soviet, he said, suggesting that it was no longer binding on the Defense Ministry.

One feature of the doctrine that reportedly led to considerable debate was whether the military should be used for internal security, as it was when army tanks fired on the parliament center Oct. 4.

As it emerged, the doctrine does authorize the use of the military when Russia's security is threatened from within by nationalist or separatist forces, when the constitutional order is undermined by force, when nuclear or chemical installations are attacked, or against illegal armed groups. General Grachev left unclear, however, who would decide when to use force.

Russian officials tried to portray the doctrine as a major statement of Russia's peaceful new posture, stressing that the country no longer identified any nation as its enemy.

But Western experts generally viewed the doctrine as a set of broad statements that largely acknowledged the obvious and left the army and the government broad leeway to adjust.

SAIGON: Former Refugees Returning, With Cash

Continued from Page 1

right to his American passport. He said he owned a convenience store, "and I am proud because it is very successful."

"Now I come back to help my family," he said. "Maybe I help myself, too." He allowed a passenger arriving on the same flight a peek inside his black duffel bag, which contained stacks of \$100 bills. "Everybody does it," he said.

Vietnamese government economists estimate that Vietnamese-Americans have invested hundreds of millions of dollars in their homeland in the last several years, taking advantage of free-market reforms begun in the late 1980s. But for one very good reason no one is sure exactly how many Vietnamese-Americans investors are here, and exactly how much money they have brought. Most of the investment is illegal, a violation of the 18-year-old U.S. trade embargo on Vietnam.

Under federal law, Vietnamese-Americans can provide "humanitarian assistance" for their families in Vietnam, but much of the investment clearly goes beyond that, and almost no one interviewed for this

article would allow their names to be used.

"For Vietnamese-Americans, the boom business at the beginning was Vietnamese real estate," said Yen Do, editor and publisher of Ngoc Viet, a newspaper in Orange County, California, and one of the largest Vietnamese dailies in the United States. "Then some began providing money-changing services. The latest boom is selling used cars brought from southern China."

Until recently, he said, it was dangerous for Vietnamese-Americans to acknowledge that they had traveled to Vietnam, let alone that they invested in the country, because of the aggressive anti-communism of their Vietnamese-American neighbors in the United States. "Now, everybody is going in and out of Vietnam," he said. "You can't hide it anymore because you see your neighbors from Orange County in the streets of Saigon."

Going by the rumors heard around Ho Chi Minh City—and getting beyond those rumors can be very difficult—whole blocks of the city are now owned by Vietnamese-Americans who have used family members living here as fronts. The relatives sign the deeds.

Touvier Trial Site Stirs Outrage

Reuters

PARIS — French victims of Nazi war crimes expressed outrage after a court ruled Wednesday that the collaborator Paul Touvier should stand trial in Versailles, a central site, instead of Lyon, the scene of his crimes.

A Paris appeals court turned a request to have Mr. Touvier, 78, the first French citizen to be tried for crimes against humanity, brought before a jury in Lyon, where he is accused of picking seven Jewish hostages for execution by the Germans in 1944. He was intelligence chief of the Vichy government's militia in Lyon in World War II.

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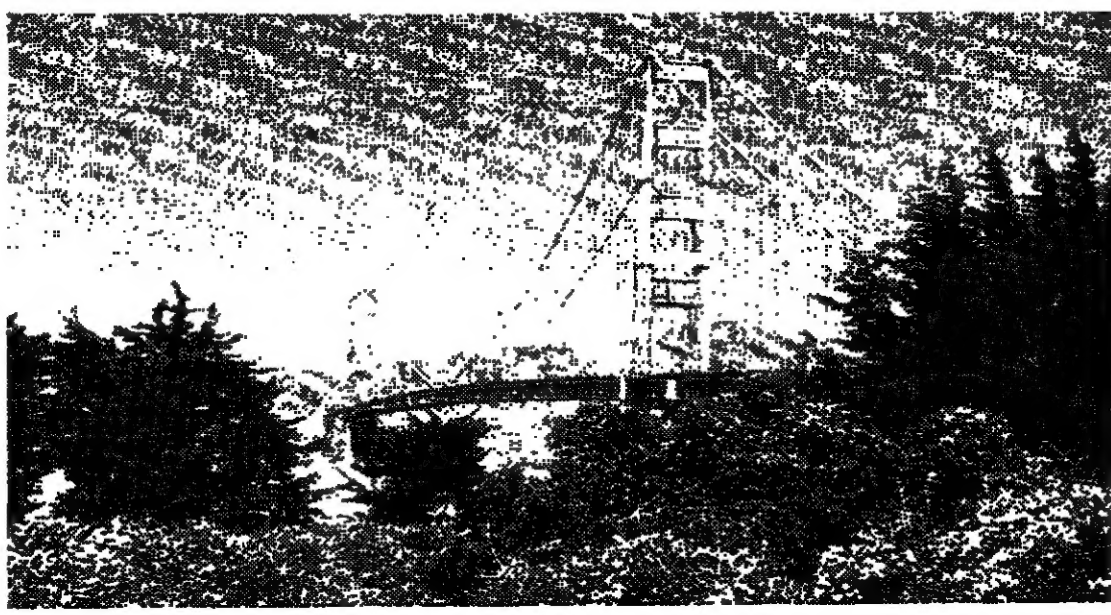
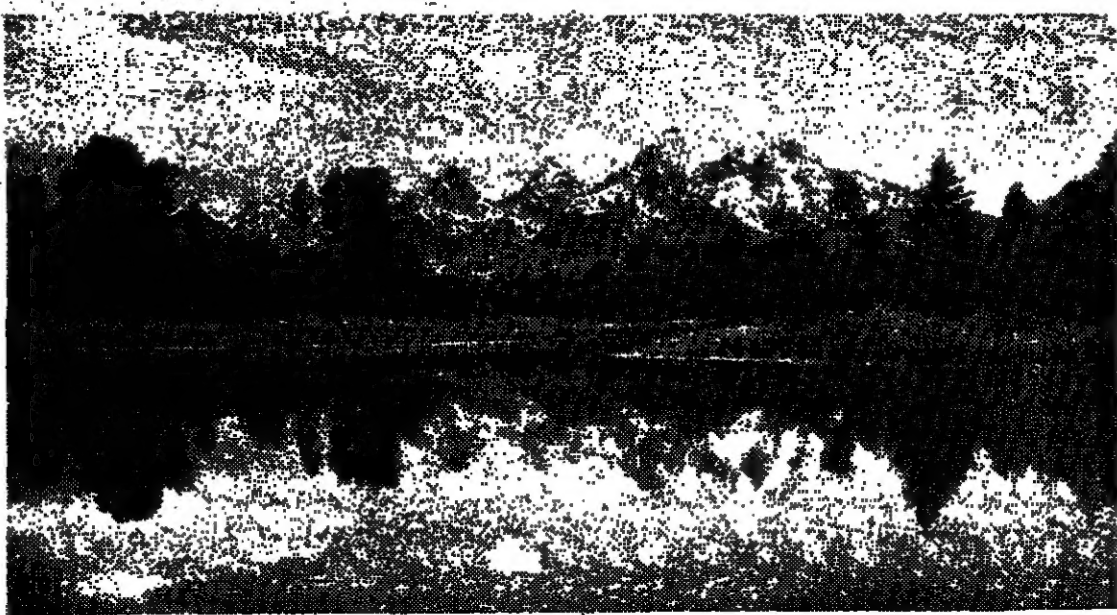
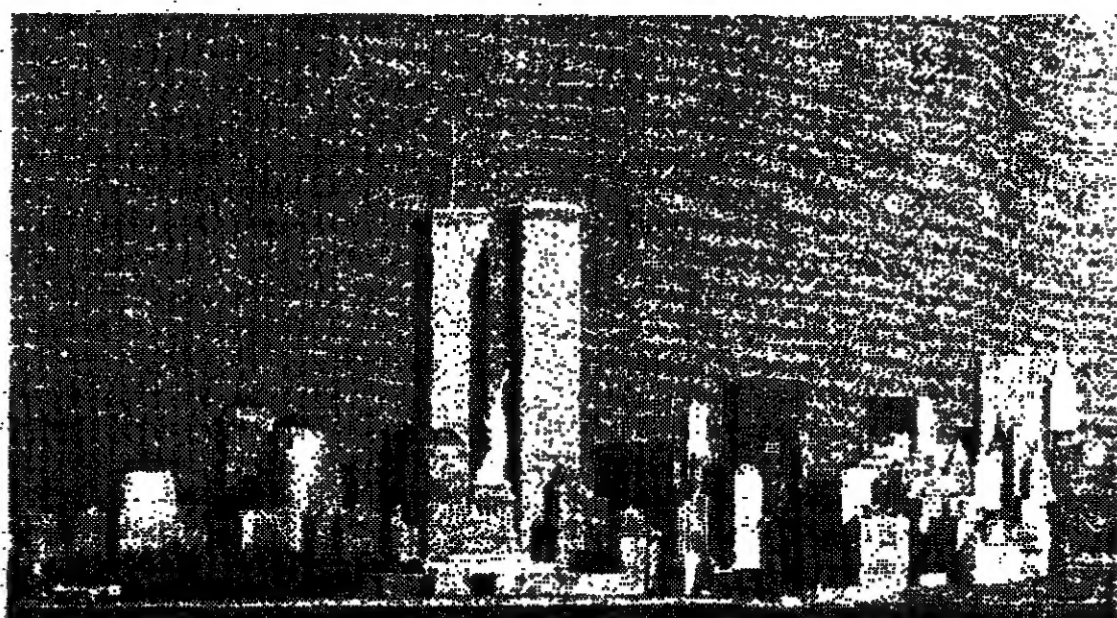
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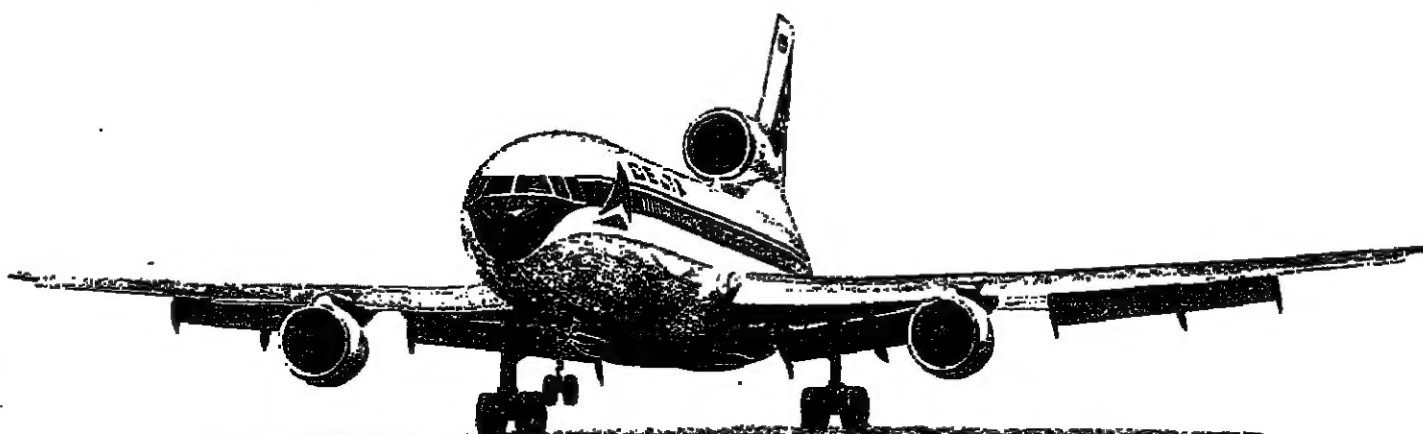
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 DELTA AIR LINES

By Suzy Menkes
International Herald Tribune

Occasional Kenia's show was uptown and upscale, but oh-so-discreet. Everything was pared down: not a collar to disturb the clean neckline; not a flounce to fancy up the skirt. Instead a touch of Moroccan decoration — the scroll embroidery found on caftans — ran around neck, front and wrists of simple jackets or elongated tunics.

What does it say about American women (who think it insulting to be called girls) that the baby-doll dress seems to be the symbol of young designers? Nicole Miller sent tiny slip dresses in gauzy fabrics and gaudy colors swinging out thigh high above hold-up stockings. The British company Ghost had the same Lolita look, complete with matching panties, although



Oldham's show was a lot of fun — if you like to see supermodels giving their all in spiders' web bra tops and skimpy shorts and prints that turn kitsch into an art form. Oldham's clothes are not anything new, but the designer has that essential modern fashion ingredient: attitude.

The prints were funny and witty — postcard views of arid Arizona

or nuts and bolts laid out in black on white. A toothed bracelet turned into a hair comb so that a model could rake her coiffure on the runway. Printed boots met truncated hemlines around mid-thigh. There were straw fringes and witty program notes that dubbed the outfit "scare-a-crow dress." In a city where Seventh Avenue fashion takes itself very seriously, Oldham's shows—even if the formula is familiar—provide light relief.

By Boyce Rensberger
Washington Post Service

"You take all these observations and — I'm just speculating — you begin to get a picture of oxytocin as a pro-social neurohormone," Dr. Carter said. "Production is stimulated by three things: birth, lactation and sex. These are all occasions that are associated with the development of social bonds."

Vole pairs bond abruptly. While unmated, males and females are sociable with all other voles. Once a couple mates, however, a power-

Dr. Insel and colleagues, including James Winslow and Dr. Carter, reported in the *Nature* that vasopressin plays a comparable role in male prairie voles. The group's experiments found that, as with oxytocin, a vasopressin blocker prevented males from bonding with a female with whom they mated. It also prevented the subsequent aggressiveness to other males.

By Jane E. Brody
New York Times Service

But even if only a small percentage of affected children were missed, it would have serious potential consequences. In some cases, failure to detect and correct eye problems in preschoolers results in permanent visual impairment.

When eye muscle problems go undetected are detected but not corrected before the age 6, the child may become functionally blind in one eye, a condition called amblyopia. Parents who resist treatment because the

CHILDREN born with visual impairments are not likely to complain about them because they have no reference point that tells them they do not see as well as other people do.

gist in Fort Worth, Texas, who has helped develop the new guidelines for pediatricians, said screening tests for visual acuity should start at the age of 3 and be repeated annually well into the elementary grades.

BRIDGE

Toth found her richest vein of the path of

gional team event played in October in Kiamasha Lake, New York, would once have been restricted to men. As it was open, it was possible for Sande Boas of Manhattan to win her first regional title, backed by Glenn Milgrim and Jared Liebenstein, both of Manhattan, and Lapt Chan of Woodside, Queens.

A routine diamond continuation by West would have allowed South to succeed, but he made a fine shift to a club, deciding the issue in his favor. South won on his hand and led another trump, permitting West to win another trick. This would have worked if the clubs had been divided evenly, but as it was West

	North and
The bidding:	
West	North
1 ♠	Pass
Pass	Pass
2 ♠	Pass
Pass	Pass

West led the

AKJ875

South were vulnerable.

North	East	South
1NT	1NT	2♠

Jim Dwyer, a columnist for New York Newsday and author of "Subway Lives," wrote this for The New York Times.

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• Vietnam City	172-1877
Venezuela English	0056-00-1111-4
Venezuela Spanish	0056-00-1111-1

NORTH

♠ 10 6 2
♥ A 10 7 2
♦ 9 8 5
♣ 9 8 3

WEST (D)

♠ A 9 8 5 4
♥ Q 7 6
♦ Q 4
♣ 6 4 2

EAST

♠ 7 3
♥ K 10 4
♦ K J 10 8 7 3 2
♣ 10

SOUTH

♠ K J
♥ 9 8 5 3
♦ A
♣ A K J 8 7 5

North and South were vulnerable

The bidding:

West	North	East	South
1 ♠	Pass	1 N.T.	Pass
1 Pass	Pass	2 ♠	2 ♠
2 ♠	Pass	2 ♠	4 ♠
Pass	Pass	Pass	Pass

West led the diamond queen.

BUSINESS

International Herald Tribune, Thursday, November 4, 1993

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U.S. to Ease Rules for Listing Foreign Stocks

Compiled by Our Staff From Dispatches
WASHINGTON — The U.S. Securities and Exchange Commission voted unanimously Wednesday to take several steps to make it easier for foreign companies to sell stocks and bonds in U.S. securities markets.
 The new rules were among the first decisions of the commission under Arthur Levitt Jr., its new chairman appointed by the Clinton administration, and followed the relaxations negotiated recently with Germany's Daimler-Benz AG under Richard C. Breiden, Mr. Levitt's Republican-appointed predecessor.
 An SEC official said the decision indicated a continuity of policy in the new commission in the area of gradual adjustment of the rules for foreign access to U.S. securities markets.
 Among the key changes, the commission will enable foreign companies to file abbreviated reports and another will accept a new international accounting standard for cash flow statements.
 Also under the new rules, a foreign company will only have to file financial statements conforming to U.S. standards for two years before the stock can be listed. Under past practice, foreign companies were required to file financial statements for five years.
 Over the last year and a half, more than 140 foreign companies from 27 countries entered the U.S. equities markets for the first time, including Daimler-Benz, Yacimientos Petroliferos Fiscales, Shanghai Petrochemical Co. and Alcatel Alsthom SA.
 The new measures will mainly involve exemptions from the agency's trading practice rules, which are designed to prevent persons participating in the sale of securities from maintaining or increasing the security's price during the distribution period.
 The SEC's new policies were meant to encourage foreign companies with a market capitalization above \$1 billion and daily trading volume above \$5 million to apply for an exemption from the commission's trading rules. The exemption would also apply to trading of a foreign company's shares in its home country while the company was selling stock in the United States.
 At its meeting last month, the commission exempted German companies of this size from the trading practice rules. The exemption applied to the 30 companies that are members of the DAX index, the country's stock index based on major blue chips.
 But Mr. Levitt said he would not go so far as to consider accepting German accounting standards in order to attract more German companies to list their shares in the United States. "We're not going to do it," he said.
 Some German companies and government officials have called on the SEC to waive its rule that all companies listed on U.S. exchanges must file statements based on U.S. accounting standards. Mr. Levitt said that he would instead attempt to work closely with German companies to help them list on U.S. exchanges so that the accounting standards would not be an impediment to listing.
 (IHT, Reuters, Bloomberg, APX)

China's Cool-Down Debate Heats Up

By Kevin Murphy
International Herald Tribune
HONG KONG — A leading Chinese industrial group that has served as a showcase for economic reform has been forced to seek emergency funds, a move that analysts said would fuel growing opposition to China's campaign to cool its overheated economy.
 Squeezed by government efforts to rein in the economy, the steelmaker Shougang Corp. said it had received an emergency loan to pay its debts, the official Financial News reported Wednesday.
 Signs have begun to emerge in China that opposition to the harsh measures imposed to regain control of the economy is growing in advance of a meeting later this month of the Communist Party Central Committee at which a new package of economic reforms is to be announced.
 That a model for Beijing's industrial reform policies is suddenly struggling will provide weight to arguments by a growing number of critics that the campaign by Deputy Prime Minister Zhu Rongji to rein in the economy has moved too far too quickly, analysts said.
 Mr. Zhu, who is governor of China's central bank, emerged last summer as a sort of economic czar, wielding broad powers aimed at pulling China back from the brink of economic disorder.
 First unveiled in July, Mr. Zhu's 16-point plan for tackling high inflation and runaway growth included interest rate hikes, a 20 percent cut in government administrative spending, and the calling in of loans fueling real estate and stock market speculation.
 Mr. Zhu has moved more boldly since, announcing massive reforms to China's banking system, changes to its taxation and revenue collection apparatus, and a campaign to fight endemic corruption.
 The series of measures are designed to disturb speculators profiting from lax monetary policies and from the devolution of economic decision-making to the provinces.
 However, reports involving comments attributed to China's senior leader, Deng Xiaoping, have brought simmering discontent with Mr. Zhu's program into the open.
 Mr. Deng reportedly said recently, "Only steady development passes the rigorous test of reason." But few analysts could say whether this message was directed at Mr. Zhu's program, or at conservative forces seeking to delay reforms aimed at rebuilding central control while further freeing individual businesses from a planned economy.
 "The austerity drive seems to be hurting a number of special interests in China," said Vincent Chan, senior economist at Peregrine Brokerage Ltd. "Working capital conditions are now very tight but I don't see any economic reasons for a letup now. But maybe what Zhu wants is not possible politically right now."
 With steel stockpiles mounting in response to a sharp downturn in new construction activity—a vital goal in Mr. Zhu's austerity drive—and its own debtors unable to pay bills worth 3.6 billion yuan (\$630 million), Shougang borrowed 400 million yuan from a consortium organized by the central People's Bank of China, Bloomberg Business News reported Wednesday.
 The loan equals the estimated value of See BEIJING, Page 13

But They're Still Bullish in Hong Kong

Compiled by Our Staff From Dispatches
HONG KONG — Shares in Maanshan Iron & Steel Co., the fifth Chinese state-run company to be listed on the Hong Kong Stock Exchange, rose more than 60 percent Wednesday on the first day of trading as foreign investors continued to show strong interest in China.
 The company's performance outshined even the most optimistic forecasts. Analysts had expected the shares to trade around 3.50 Hong Kong dollars (45 cents). They closed at 3.65 dollars, up 61 percent from the issue price of 2.25. More than 600 million shares were traded.
 Maanshan's gain was not reflected across the Hong Kong market, however, where prices tumbled on rumors that Britain's Cable & Wireless PLC may reduce its controlling stake in Hong Kong Telecommunications through a private sale of shares.
 The Hang Seng index dropped 290.80 points, or 3.02 percent, to 9,352.11.
 "It has fallen because of all the rumors about a Telecom share placement," said Philip Pritchard, associate director at SBC Finance Asia.
 Analysts said Maanshan's listing was impeccable. It came on the market as the Hang Seng index had risen about 30 percent in the last five weeks.
 "The issue is hot," said Lawrence Lo, an analyst at Smith New Court (Far East). "What we are seeing is international fund managers who are a lot more comfortable buying China shares in Hong Kong than B shares in China. For China funds, this is the best way to go."
 The Chinese state-run companies listing in Hong Kong have all had successful offerings. Indeed, three of the four companies that have listed in Hong Kong since this summer are trading at about 90 percent over their issue price.
 "This is only the beginning for Maanshan. There's a lot more upside left in the stock even if it drops a little bit tomorrow. Relatively speaking Maanshan is cheap at the cost," said Ben Kwong, analyst at G.K. Goh Securities.
 Chinese shares, reserved for mainland China investors, will be issued in the next couple of weeks, according to Wang Xiu Zhi, vice governor of Anhui Province, where Maanshan is based.
 The rumors over Cable & Wireless reflect a broader concern that after the recent rise in the Hong Kong market.
 "If companies use the market's rise to raise cash then it tends to indicate that they may feel the market is overvalued and it also soaks up some of the current liquidity," Mr. Pritchard said.
 A Cable & Wireless placement "could push down the whole market's momentum," said Stephen Cheng, assistant manager at Worldwide International.
 Cable & Wireless has cut its Hong Kong Telecommunications stake from over 75 percent in recent years, and some analysts said that if the company wanted to reduce its stake further this would be an ideal time. Telecomunications stocks in the region are in strong demand following the listing of Singapore Telecom.
 "Their share price has had a good run, particularly on the back of the Singapore Telecom issue," said Ravi Narain, research director at Peregrine Brokerage. (Bloomberg, Reuters)

Ferruzzis Carry Feud To Court

Compiled by Our Staff From Dispatches
RAVENNA — Arturo, Franco and Alessandra Ferruzzi initiated moves to sue their sister Idina, the widow of the former Ferruzzi family patriarch, Raul Gardini, for an estimated 2.5 to 3 billion lire (\$1.5 to \$1.8 billion) in damages, court sources said Wednesday.
 The three claim Mr. Gardini mismanaged assets entrusted to him after the death of the company's founder, Serafino Ferruzzi, and are taking action against their sister as the representative of Mr. Gardini's estate, the sources said.
 In their notice of legal action, lawyers were highly critical of Mr. Gardini's ability as a manager.
 Mr. Gardini, who took charge of the group in 1980, committed suicide in July.
 Ferruzzi, an agricultural and chemicals giant, is trying to win approval from creditors, who hold its 30 billion lire debt, for a restructuring plan. (AFP, Reuters)

Judge Approves GM's Offer in Pickup-Trucks Suit

Compiled by Our Staff From Dispatches
MARSHALL, Texas — A U.S. judge approved on Wednesday a proposal by General Motors Corp. to distribute a \$1,000 coupon to each of about 650,000 pickup-truck owners in Texas to settle a class-action lawsuit over the trucks' allegedly hazardous fuel-tank design.
 A decision on a settlement covering 5.7 million truck owners in the other 49 states is expected soon, Lee A. Schutzman, a GM attorney, said. The automaker said it was hopeful that a federal judge in Philadelphia would approve that settlement, but an auto-safety group said it would fight to overturn the plan on appeal.
 The settlement calls for the Texas owners to receive certificates good for \$1,000 toward the purchase of any new GMC truck or Chevrolet light-duty truck, GM said.
 GM estimates that anywhere from 35 percent to almost half of the Texas truck owners affected will take advantage of the certificate offer. The automaker said the decision by U.S. District Judge Bonnie Leggett, would clear the way for owners to start receiving the coupons as early as December unless the ruling is appealed.
 But Clarence Dilow, director of the Center for Auto Safety, a Washington-based consumer group that has been pushing GM and the federal government to recall the trucks, said of the settlement, "Any decision that was reached so fast is clearly wrong, and we expect it to be reversed on appeal."
 The consumer group, as well as some truck owners and auto-safety organizations, have contended that 10 million full-size GM pickup trucks built from 1973 through 1987 are liable to explode if the trucks are struck from the side in an accident because their so-called side-saddle gasoline tanks are mounted outside the frame rails of the vehicle.
 GM, resisting calls for a massive recall of the about 6.3 million such vehicles it estimates are still in use, says the pickup trucks pose no special hazard.
 "GM continues to believe that these full-size pickup trucks have had an outstanding record over the past 21 years," Mr. Schutzman said Wednesday.
 He said accident statistics confirmed that the trucks "provide occupant protection in side-impact accidents that is comparable to other full-size pickup trucks of the same vintage and significantly better than smaller pickup trucks and the average passenger car."
 The Center for Auto Safety contends that more than 400 deaths and 2,000 injuries have occurred because of the fuel-tank design. The National Highway Traffic Safety Administration, a federal agency, is investigating.
 The center earlier filed an objection to GM's proposed settlement in the Philadelphia proceedings.
 "The proposed class-action settlement on these pickups gives lawyers millions in fees, give consumers worthless coupons and exposes dealers to personal-injury lawsuits while getting GM off the hook for repairing the trucks," Mr. Dilow said.
 "The public, GM and its dealers would be better off if GM would spend its millions on engineers and mechanics to fix the gas tanks than on lawyers scheming up ways to avoid liability."
 The center warned GM dealers last week that they faced possible legal liability if they sold a used GM C/K pickup truck made from 1973 through 1987 and the vehicle was later involved in a side-impact crash and fire.
 Mr. Schutzman, the GM attorney, argued that "nothing in this settlement makes dealers liable to accident victims."
 A settlement of the class-action suits would prevent truck owners from filing personal-liability cases such as a lawsuit in Georgia that resulted in a \$105.2 million judgment against GM in February.
 On April 15, an Atlanta judge denied GM's request for a new trial in the case and rejected the automaker's request to reduce the damage award. GM has filed to appeal the case. (Bloomberg, Reuters)

German Cabinet Approves Insider-Trading Law

Compiled by Our Staff From Dispatches
BONN — The cabinet approved a draft law Wednesday that makes insider trading a criminal offense and provides for a national supervisory authority to monitor German financial markets.
 Finance Minister Theo Waigel said the action "represents a quantum leap for Germany as a financial center." He said the law would bring Germany's financial supervisory practices in line with internationally accepted standards.
 Germany is the last of the 12 European Community countries to comply with a directive issued in 1989 asking EC members to ban insider trading. But the draft legislation, which still must be approved by parliament, is not expected to become law until the first half of 1994, almost two years after the EC's proposed deadline of June 1992.
 The law bars company directors, shareholders and people professionally involved with companies from trading on the basis of information that is not publicly known and that "could have a considerable influence" on the price of the securities if it were publicly known.
 Until now, German bankers, stockbrokers and company officials were bound only by a "gentlemen's agreement" not to engage in insider trades. This was not legally enforceable, and no criminal action could be brought against those who did not comply.
 The shortcomings of that approach became clear once again this year when a director of Daimler-Benz AG admitted having bought shares in Mercedes AG Holding just before the board's decision to merge Mercedes and Daimler shares caused the price to surge. The ensuing controversy caused the director, Franz Stein-Kühler, to leave his job as president of the IG Metall union, even though he denied having acted on insider knowledge.
 With financial services having become a major growth sector in Germany, Mr. Waigel said Wednesday, investor confidence is vital for the effective functioning of markets, and "insider deals endanger this confidence."
 He said Germany would continue to need foreign capital to finance the reconstruction of the former Communist East Germany.
 The law will set up a watchdog body, the federal supervisory office for securities trading, to enforce the new rules and to cooperate with regulators in other countries in combating insider trading.
 The legislation also expands disclosure requirements on company shareholdings and adds regulations on the release of market-sensitive information, creates a federal supervisory body and cuts the par value of shares to 5 Deutsche marks (\$2.94) from 50 DM to encourage small investors.
 Among other things, the new rules will require German companies, which often are linked to one another by cross-shareholdings, to disclose any stake in another company when it reaches 5 percent, compared with 25 percent now. (Bloomberg, Reuters, APX)

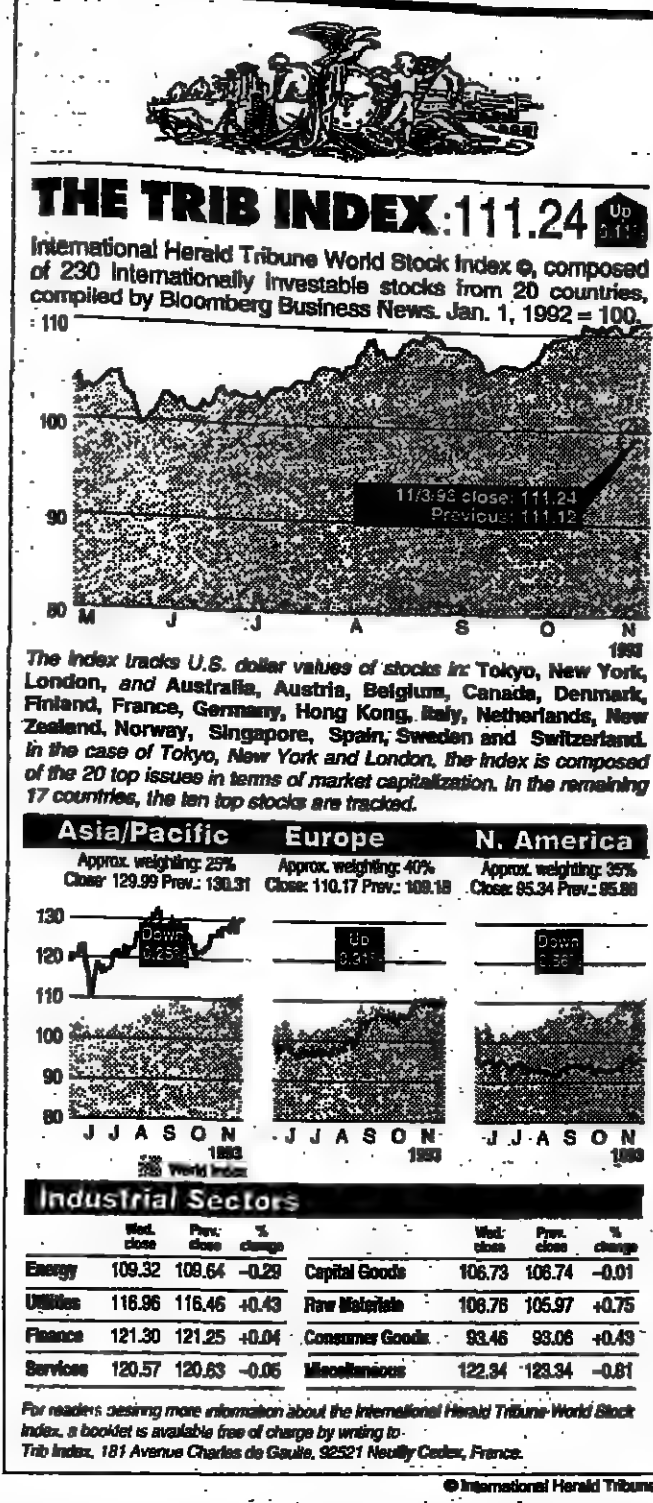
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INTERNATIONAL MANAGER

Retailers View Logistics As a New Key to Success

By Stephanie Strom
New York Times Service
NEW YORK — The latest buzz in the retail industry isn't about headlines or projections of holiday sales. Instead, retail executives are talking about logistics, the science of moving goods from a manufacturer into a customer's hands in the most timely, efficient and cost-effective way.
 The clearest signal that logistics has moved onto center stage came last month when the retail division of Sears, Roebuck & Co. hired Lieutenant General William Pagonis, who managed the military supply chain during the Gulf War, as senior vice president in charge of logistics.
 On Friday, Carter Hawley Hale Stores, the West Coast department store operator, announced that it had named Robert Menar, formerly head of its information services division, as executive vice president in charge of logistics.
 Recognized as the best way to manage the supply flow to the battlefield and control the accumulation of parts for complex electronic gadgets, logistics is gaining acceptance among retailers as a way to cut costs, improve customer service and maintain inventories.
 Retailers are beginning to look at transportation, storage, order processing, distribution, packaging, purchasing, marketing and customer service as interdependent pieces of a pipeline flowing from their suppliers to their customers.
 If goods flow smoothly, costs come down and inventory levels can be lowered. At the same time, customer service improves because stores stay stocked and prices may even be reduced if retailers pass on their savings.
 "Logistics has always been the stepchild of the retail industry," said William Novak, an executive director at Russell Reynolds Associates, which recruited General Pagonis for Sears. "Now retailers are realizing that it doesn't do any good to have the hottest toy if you don't have it when and where you need it."
 Retail supply chains are complex and strewn with pitfalls: Goods must travel from manufacturers to warehouses to distribution centers to stores. Along the way, people are making decisions about how merchandise must travel, what it should travel in, how quickly it must be moved and how it will be stored.
 The problem, said Arthur Martinez, chairman and chief executive of the Sears Merchandise Group, is that usually each of those decisions is made independently of the others. He calls that "stovepipe" management. Logistics seeks to link the pieces of the supply line.

CURRENCY & INTEREST RATES

Cross Rates									
	\$	DM	FF	LYR	DM	FF	YEN	DM	DM
Australia	1.52	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77
Canada	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
France	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
US	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other Dollar Values									
Canada	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
France	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
US	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Forward Rates									
Canada	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
France	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
US	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Eurocurrency Deposits									
	1 month	3 months	6 months	1 year	2 years	3 years	4 years	5 years	10 years
London	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
Frankfurt	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
Paris	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
Brussels	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
Amsterdam	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
Other Dollar Values									
Canada	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
France	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00	106.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
US	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

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MARKET DIARY

Blue Chips Tumble
As Rates Climb On

Compiled by Our Staff From Dispatches
NEW YORK — Computer-driven program trading sent stock prices into a tailspin in a crash of trading Wednesday.

Stocks opened weaker and remained in negative territory

N.Y. Stocks

throughout the session. But late in the afternoon, equities turned sharply lower after computer-triggered sell programs kicked in, dumping baskets of stocks in heavy volume.

The Dow Jones industrial average closed 35.71 points lower at 5,661.87. At one point, however, it had lost more than 50 points, setting off the New York Stock Exchange's "upside rule," which restricts program trading, and relieving some of the pressure to sell.

Decliners outnumbered advances on Wednesday by 3 to 1, with volume rose to 350 million shares from 305 million shares on Tuesday.

Analysts said investors got anxious when it became apparent that electric utility stocks, often considered a leading indicator of the gen-

eral market, were tumbling across the board.

A chain of recent data have pointed to a stronger U.S. economy, leading to concerns about inflation, a rise in interest rates and a fourth consecutive session of weaker bond markets.

The benchmark 30-year Treasury bond fell Wednesday by 7/8 of a point to close at 101 3/32, while its yield rose to 6.11 percent, the highest since Sept. 21.

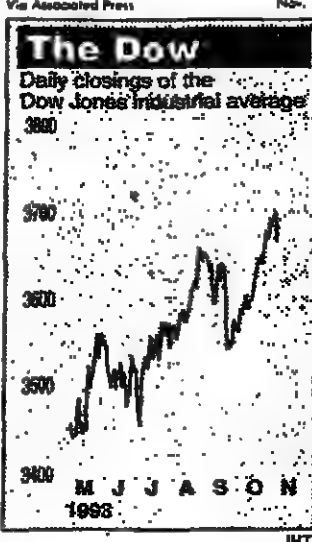
Higher rates not only make stocks less attractive but lead to concerns that investors may begin pulling out of stock, mutual funds, or at least curb their enthusiasm for further purchases.

Among the advancing issues, drug and health-care stocks gained as Democratic Party losses in state and local elections led traders to think President Bill Clinton may face problems in his bid to pass health reform legislation.

Among leading drug shares, Merck & Co. rose 1/4 to 33 1/2, Pfizer Inc. climbed 1/4 to 63 1/2, and Eli Lilly & Co. rose 1/4 to 55 1/2.

The rise in rates led to a drop for major banks. Citicorp slipped 1 to 34 1/2, and Chemical Bank eased 1 to 34 1/2.

(AP, Bloomberg, UPI)



NYSE Most Active

Symbol	High	Low	Last	Chg.
Merck	33 1/2	33 1/8	33 1/2	+1/4
Pfizer	63 1/2	63 1/8	63 1/2	+1/4
Eli Lilly	55 1/2	55 1/8	55 1/2	+1/4
Citicorp	34 1/2	34 1/8	34 1/2	-1/2
Chemical Bank	34 1/2	34 1/8	34 1/2	-1/2

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Chemical Bank	34 1/2	34 1/8	34 1/2	-1/2

NYSE Diary

Symbol	High	Low	Last	Chg.
Merck	33 1/2	33 1/8	33 1/2	+1/4
Pfizer	63 1/2	63 1/8	63 1/2	+1/4
Eli Lilly	55 1/2	55 1/8	55 1/2	+1/4
Citicorp	34 1/2	34 1/8	34 1/2	-1/2
Chemical Bank	34 1/2	34 1/8	34 1/2	-1/2

Amex Diary

Symbol	High	Low	Last	Chg.
Merck	33 1/2	33 1/8	33 1/2	+1/4
Pfizer	63 1/2	63 1/8	63 1/2	+1/4
Eli Lilly	55 1/2	55 1/8	55 1/2	+1/4
Citicorp	34 1/2	34 1/8	34 1/2	-1/2
Chemical Bank	34 1/2	34 1/8	34 1/2	-1/2

NASDAQ Diary

Symbol	High	Low	Last	Chg.
Merck	33 1/2	33 1/8	33 1/2	+1/4
Pfizer	63 1/2	63 1/8	63 1/2	+1/4
Eli Lilly	55 1/2	55 1/8	55 1/2	+1/4
Citicorp	34 1/2	34 1/8	34 1/2	-1/2
Chemical Bank	34 1/2	34 1/8	34 1/2	-1/2

Dow Jones Averages

Index	High	Low	Last	Chg.
Dow Jones	5,661.87	5,661.87	5,661.87	-35.71
S&P 500	425.12	425.12	425.12	-1.12
NASDAQ	1,234.56	1,234.56	1,234.56	-1.12

Standard & Poor's Index

Index	High	Low	Last	Chg.
S&P 500	425.12	425.12	425.12	-1.12
NASDAQ	1,234.56	1,234.56	1,234.56	-1.12

NYSE Indexes

Index	High	Low	Last	Chg.
NYSE Composite	1,234.56	1,234.56	1,234.56	-1.12
NYSE Industrial	1,234.56	1,234.56	1,234.56	-1.12
NYSE Retail	1,234.56	1,234.56	1,234.56	-1.12

NASDAQ Indexes

Index	High	Low	Last	Chg.
NASDAQ Composite	1,234.56	1,234.56	1,234.56	-1.12
NASDAQ Industrial	1,234.56	1,234.56	1,234.56	-1.12
NASDAQ Retail	1,234.56	1,234.56	1,234.56	-1.12

AMEX Stock Index

Index	High	Low	Last	Chg.
AMEX Composite	1,234.56	1,234.56	1,234.56	-1.12
AMEX Industrial	1,234.56	1,234.56	1,234.56	-1.12
AMEX Retail	1,234.56	1,234.56	1,234.56	-1.12

Dow Jones Bond Averages

Bond	High	Low	Last	Chg.
30-Year Treasury	101 3/32	101 3/32	101 3/32	-7/8
10-Year Treasury	98 1/8	98 1/8	98 1/8	-1/8
5-Year Treasury	96 1/4	96 1/4	96 1/4	-1/8

Market Sales

Market	High	Low	Last	Chg.
NYSE Volume	350,000,000	350,000,000	350,000,000	-
NASDAQ Volume	1,234,567,890	1,234,567,890	1,234,567,890	-

N.Y.S.E. Odd-Lot Trading

Symbol	High	Low	Last	Chg.
Merck	33 1/2	33 1/8	33 1/2	+1/4
Pfizer	63 1/2	63 1/8	63 1/2	+1/4
Eli Lilly	55 1/2	55 1/8	55 1/2	+1/4

S&P 100 Index Options

Option	High	Low	Last	Chg.
S&P 100 Call	425.12	425.12	425.12	-1.12
S&P 100 Put	425.12	425.12	425.12	-1.12

2-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
2-Month Euro Dollar	5.50	5.50	5.50	-0.01
3-Month Euro Dollar	5.50	5.50	5.50	-0.01

2-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
2-Month Euro Dollar	5.50	5.50	5.50	-0.01
3-Month Euro Dollar	5.50	5.50	5.50	-0.01

2-MONTH EURO DOLLARS (LIBOR)

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Rate	High	Low	Last	Chg.
2-Month Euro Dollar	5.50	5.50	5.50	-0.01
3-Month Euro Dollar	5.50	5.50	5.50	-0.01

2-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
2-Month Euro Dollar	5.50	5.50	5.50	-0.01
3-Month Euro Dollar	5.50	5.50	5.50	-0.01

EUROPEAN FUTURES

Contract	High	Low	Last	Chg.
3-Month Euro Dollar	5.50	5.50	5.50	-0.01
6-Month Euro Dollar	5.50	5.50	5.50	-0.01

3-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
3-Month Euro Dollar	5.50	5.50	5.50	-0.01
6-Month Euro Dollar	5.50	5.50	5.50	-0.01

3-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
3-Month Euro Dollar	5.50	5.50	5.50	-0.01
6-Month Euro Dollar	5.50	5.50	5.50	-0.01

3-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
3-Month Euro Dollar	5.50	5.50	5.50	-0.01
6-Month Euro Dollar	5.50	5.50	5.50	-0.01

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Rate	High	Low	Last	Chg.
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Rate	High	Low	Last	Chg.
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6-Month Euro Dollar	5.50	5.50	5.50	-0.01

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6-Month Euro Dollar	5.50	5.50	5.50	-0.01

3-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low	Last	Chg.
3-Month Euro Dollar	5.50	5.50	5.50	-0.01
6-Month Euro Dollar	5.50	5.50	5.50	-0.01

3-MONTH EURO DOLLARS (LIBOR)

Rate	High	Low
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Gulf States, Asia, Central and South America	\$	780	-	430	235
Rest of Africa	\$	900	-	495	270

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A Special Report

Banking and Finance in France

Chip Outsmarts Thieves
France Takes Lead in Bank-Card Security

By Philip Crawford

PARIS — With bank-card fraud a growing concern amid a global society that uses plastic nearly as often as cash to make purchases, France is emerging as the international leader in fraud-preventing systems and technology.

The key to France's success, say experts, is the initiative undertaken six years ago by French banks, now complete, to equip every newly issued bank card with a *puce*, or microchip, which significantly thwarts the usability of cards that have been stolen or lost. Since 1991, when the number of chip-carrying "smart" cards increased to more than half of all French bank cards in circulation, fraud in France has decreased about 36 percent, from 467 million francs (\$80 million) to an estimated 300 million francs in 1993. Today, roughly 70 percent of all bank-card purchases in France — and nearly all teller machine (ATM) withdrawals — are made with smart cards.

By contrast, fraud in the United Kingdom reached £165 million (\$247 million) in 1992, up from £60 million in 1989, and annual bank-card fraud in the United States is estimated at more than \$1 billion. While the number of cards in circulation and the volume of purchases and ATM withdrawals in these markets may be higher than in France, note analysts, France is still the international leader in reducing domestic fraud in proportionate terms. Moreover, the systems and technology by which French banks have seen the "carte à puce" program through to fruition are being increasingly explored by non-French banks and payment services organizations seeking to emulate the French results.

"The situation in France has improved significantly, especially this year, and the success is apparently linked to the chip," said Guido Heyns, an executive at Europay International in Brussels, which markets the Eurocard and MasterCard brand names in Europe. "The only way to attack the technology, assuming one does not know the personal identification number of a stolen or lost card, would be to tinker with the chip itself, which few criminals have the capacity to do. We think the chip card is the way forward, and it is part of our future strategy."

Wynne Evans, an official of the London-based Association for Payment Clearing Services (APACS), a trade group for U.K. banks and building societies, said the smart card was one of several technological solutions being examined by British bankers to combat the fraud problem. "One of the things the chip does is set up a situation in which the technology, not a human being, makes the decision as to whether a card is accepted or rejected," he said. "That's the way we want to go."

The roots of the smart-card program in France go back to the mid-eighties, when French bankers began to study the possibility of embedding a microchip, partly developed by French computer maker Groupe Bull, onto bank cards. At that time, French cards utilized the same type of technology that is still prevalent throughout most of the world: a magnetic stripe attached to the back of the card, which contains coded information identifying its proper user. Motivation for the program was provided by the high degree of bank-card fraud in France, which itself was related to a national trend away from checks and toward the debit

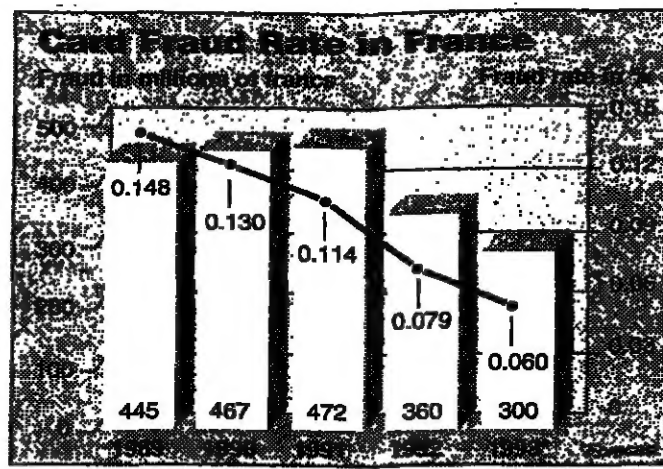
card as the main mode of noncash payment.

Most bank cards in France are still debit cards, which, in effect, deduct electronically the amount of a purchase from the card holder's bank account. The concept of a "credit" card with a revolving credit line, which remains the norm in the United States and the United Kingdom, is in a relatively early stage in France.

"It wasn't until 1987 that we started to envisage seriously putting the chip on all bank cards," said Max Aurio, chief executive of Groupe des Cartes Bancaires, formed in 1984 as a trade organization for French banks. "But we had problems with the compatibility of cards and terminals, which were being used at the point of sale. We had to stop the program, review it, and relaunch it in 1990, that time with much better results."

PRESENTLY, the chips for French bank cards are manufactured by the French electronics concern Thomson CSF and by U.S.-based Motorola Inc. The software contained on the chips is produced by Groupe Bull and by T. R. T., the French telecommunications company. Most of the terminals that receive the card and provide initial payment processing are made by Dassault Electronique S.A., which specializes in electronic automation systems.

Just how does the chip technology better that of the magnetic stripe in a retail store or restaurant environment? The key is the four-digit personal identification number (PIN). A lost or stolen magnetic-stripe card can be used by anyone able to execute a rough forgery of the card owner's signature, even if the validity of the card itself is electronically



Source: Groupement des Cartes Bancaires CS

International Herald Tribune

authorized "on line" at the point of sale. Bankers lament, moreover, that few retailers bother to scrutinize signatures for fear of insulting customers.

In France, however, virtually all establishments that accept bank cards have a portable terminal equipped with a keyboard on which the card owner types in his or her PIN, which is unknown even to the card-issuing bank, whose computers randomly generate the numbers. The chip verifies both the card's validity and the PIN, and the terminal produces a receipt in seconds. French consumers have become accustomed to this highly efficient process.

The PIN also verifies the correct card owner at French ATMs, as do magnetic-stripe ATM cards in the United States. But experts say that the chip's advanced safeguards would have defeated last May's scam in which brazen criminals installed a bogus ATM in a Connecticut shopping mall that copied PINs off the magnetic-stripe cards that were inserted into it. The high-tech thieves then made counterfeit magnetic-stripe cards, which were used to raid accounts, using real ATMs.

But if the chip card fights fraud so effectively, why hasn't every major card market followed suit?

"Cost," replied Mr. Evans, of APACS. "The chip solution is regarded as being more expensive than other new methods of fighting fraud which could prove to be equally effective. Other technologies which we're looking at in the U.K. include biometric methods such as voice recognition and finger scanning, which is similar to checking fingerprints, but not really the same thing."

Hervé Lacotte, a spokesman for Groupement des Cartes Bancaires, said the overall cost of developing and manufacturing the chip card and putting it into near-universal use in France has been close to 100 million francs.

In the United States, where magnetic-stripe cards are still the norm, some reductions in fraud have been achieved by adding a photograph of the card owner to the front of the card. According to RAM Research, a credit card newsletter, bank-card fraud in the New York area dropped 67 percent between April 1992 and December 1992, following Citibank's introduction of the photo card.

PHILIP CRAWFORD writes about finance and economics from Paris.

Banks Watch Interest Rates
And Wait for Better Times

By Conrad de Aenlle

PARIS — The recession that is making most of Europe feel fairly morose has not given French bankers much to cheer about either. The promise of lower interest rates has remained substantially unfulfilled, and along with it the promise of better times that those lower rates are supposed to bring.

Both of those elusive economic circumstances were supposed to bail the banks out of their lingering funk by improving their earnings and allowing some of their strapped corporate and retail customers to repay loans. So far, no such luck.

Provisions for bad loans last year were estimated at 115 billion francs, or around \$20 billion, 64 percent higher than in 1991. That has, of course, depressed profits in the industry. Earnings at publicly listed French banks were generally flat in 1992, but they remain stuck at levels somewhat worse than those of the late 1980s, which was the last pleasant time to be a bank in France. This year's first half offered no respite.

Earnings at the recently privatized Banque Nationale de Paris fell 60 percent year to year during the half, to 522 million francs, and Chairman Michel Peberneaux has told the public to expect more of the same in the second half. One thing that did go up in the first half, by 42 percent, were reserves for bad loans. Other banks are doing a little better. Crédit Commercial de France and Société Générale each reported gains of close to 10 percent for the first half. Somehow, CCF was able to do it with a 68 percent increase in bad-debt provisions, while those at Société Générale were up just 3 percent. Banque Paribas was a standout, with earnings rising to 2 billion francs from 60 million a year earlier.

Regulators, trying to prepare the public for the bad news, said before the first-half figures were announced that things were not all that bad, especially compared with the United States and Japan. "French banks are well equipped to overcome" the spate of bad real estate loans, Hervé Hannoun, deputy governor of the Banque de France, told a press conference last June. "The stability of the French banking system has not been undermined. Some institutions ran into difficulties, but these were isolated cases."

Maybe so, but as the six-month figures show, bad loans have become a persistent problem for more than a few banks, and some who follow the industry think this is putting them in a bad spot, compared with banks elsewhere in Europe.

"They are having some problems; they are doing worse than most," observed Chris Davis, who follows European banks for Barclays de Zoete Wedd. "The recession has hit them harder" than banks in Switzerland, say, or Germany.

The difficulties confronting the sector have been felt by big and small banks alike, although they have traveled different paths to arrive at the same sorry place. "The Suez and Paribas of this world have taken their pain along with everyone else," said Mr. Davis. "The difference there is the big boys' problem has essentially been in lending quality with small and mid-sized corporations. Paribas and Indosuez are not in that market at all. They lend to larger corporations, and that's all right, but they have above-average exposure in the property market."

BNP is a big boy with big problems, and they are not likely to end soon. Mr. Davis said there may be a modest recovery next year, but "if you're looking for a strong recovery, you'll have to wait until 1995."

But while business at BNP may not be better for quite a while, its transfer into private hands means

business will certainly be different — for employees, stockholders, customers, and other banks, too. "The largest commercial bank in the private sector, meaning it will be managed for the shareholder rather than with the state in mind," explained J. Paul Horne of Smith Barney Shearson. "That will be healthy for the industry. We'll finally see the French banking system, led by this bank, increasingly resorting to layoffs. It's been clear for a long time that French banks are overstaffed."

The bloated employment rolls have kept the costs of BNP's, and other banks', services higher than they should have been. Mr. Horne says. Because their labor costs are high, the spread between the interest they pay depositors and the interest they charge borrowers must be high, as well.

That spread ought to come down, although it will probably be a slow process — banks seldom pass on savings at breakneck speed — but customer charges are likely to rise, he said, as banks are able to take full advantage of their marketplace, freed from constraints imposed by the state.

"I think we're going to see bank costs all across the range of services go up at BNP, with others to follow," Mr. Horne said.

Being in the private sector should also make it easier for BNP to form links with foreign banks, such as the one with Dresdner of Germany. The two banks extend courtesies to each other's customers and are expected to set up a joint retail branch network in Eastern Europe and take 10 percent holdings of each other's stock. Société Générale, too, has an arrangement with the British bank National Westminster in which each helps the other's clients when they journey onto its turf.

"In terms of forming international alliances, a lot of companies prefer to be dealing with an entirely private bank," said an analyst who follows BNP for a London brokerage. "It's a guarantee for shareholders that basically the bank will be acting in their best interests, rather than anybody else's."

Forming such alliances allows banks and insurance companies, which are actively seeking foreign ties, "to offer more services to clients abroad without incurring the higher costs of an acquisition," the analyst said. "It enables them to increase the level of service to clients. That's the idea, at least."

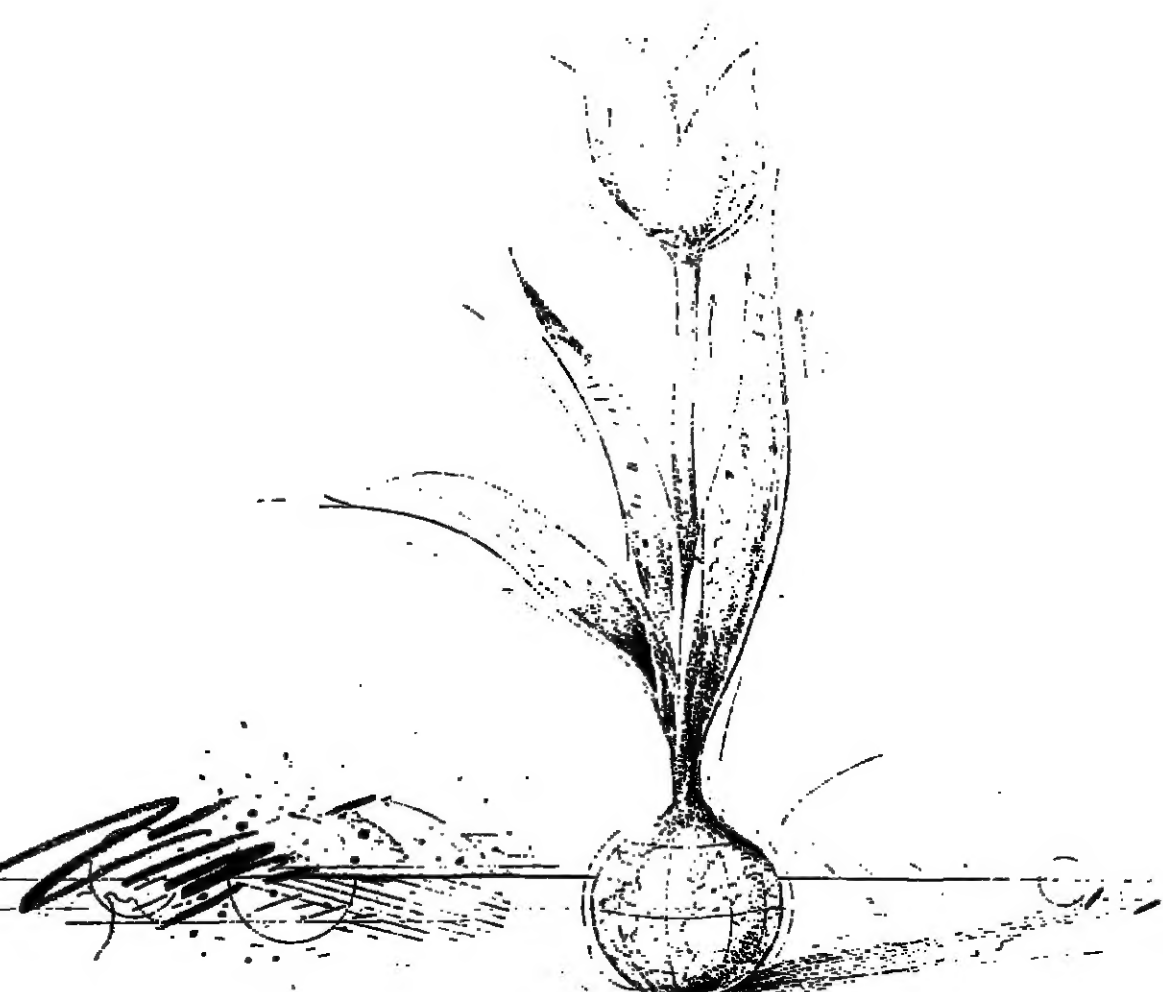
What's going to help French banks out of their difficulty, Mr. Davis and others believe, are the long-sought reductions in interest rates, which at last seem to be happening. The German and French central banks lowered key lending rates late in October. "Lower rates will certainly help them improve their margins over a period," Mr. Davis said. "It will also help them reduce the cost of carrying these nonperforming loans and their investment portfolios."

The London analyst, who insisted on anonymity, concurred: "I think rates in the end will be coming down to lower levels than most people expect at this stage. There will be a reversal of the very tight monetary policy in realization of tight economic circumstances."

The trick for banks, said Mr. Horne, will be to sit on the gains from the lower cost of funding as long as possible without cutting loan rates. "Banks are not going to immediately pass interest rate savings onto the consumer," he said. "Therefore, they're going to improve their balance sheets."

The French economy bottomed out in the second quarter, he reckons, meaning consumer spending is bound to rise and borrowers will be better able to repay loans. At the same time, with rates lower, there ought to be more of an appetite for taking on new debt, all of which should make banks healthier.

CONRAD DE AENLLE writes about finance and economics from Paris.

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Mutual Fund Giant Challenged

By Martin Baker

PARIS — It has risen from obscurity to No. 2 on the world stage, just behind the United States. It dwarfs every other market in Europe. It has a new and vital role to play in its government's economic policy. Whatever you look at it, the French mutual fund industry has a higher profile than ever before.

The sheer size of the industry often surprises international observers, many of whom tend to associate mutual funds with risk investment and Anglo-Saxon countries. According to statistics from the senior French financial watchdog, the Commission des Opérations de Bourse (COB), 1,915 billion French francs (about \$325 billion) were held in the most popular mutual fund vehicle, the Société d'Investissement à Capital Variable (SICAV), at the end of the first quarter of 1993. The next most popular collective vehicle, the Fonds Commun de Placements, had 697.6 billion francs under management at the end of 1992.

The French industry is more than twice as big as Europe's next biggest market, the United Kingdom. The British industry is celebrating what is already a record year for asset growth, yet the total under management in unit trusts (unquoted vehicles always open to new investors) is a relatively paltry \$84.1 billion (\$126 billion), according to figures from Aulif, the U.K. fund industry trade association.

The size and success of the French fund industry is in part attributable to the French banks, who have traditionally been some what miserly with the yield offered on their deposit accounts. The result has been, after a little adjustment in the tax laws late in the 1980s, a flight into mutual funds. The great majority (around 70 percent) of money in SICAVs is invested in funds that buy cash instruments on the international money markets. Bonds account for around 19 percent of the SICAV market, and funds that invest in shares make up the rest, of

around 11 percent.

The pronounced preference for money market funds and bond funds, which are only slightly more risky, gives a good picture of the psyche of the French mutual fund investor.

"Risk-aversion has historically always been the French investor's mentality," says Robert Marjolain, managing director of Micropal (France), the international fund monitoring group. "The French have always preferred bonds for historical reasons. It's not always easy to understand why when you look at some of the scams there have been."

Those conservative investing preferences are being challenged by the French government. One of the first things that the Balladur administration did after its election in March was to announce a tax incentive designed to persuade investors to sell some of their money market fund holdings and buy shares in its huge, 40 billion franc privatization program. It has become a plank of the new government's policy to unlock some of the capital held in these funds and encourage equity investment.

The tax incentive is proving popular, and capital is flowing into the "Balladur bonds" designed to be a halfway house on the road to purchasing privatization issues. A tax incentive is one thing, but opinion is divided as to whether French investors are really changing their attitude to risk investment.

"I think people are beginning to appreciate the risk-to-reward factor, particularly at the top end of the market," said Marc Landeau, managing director of Olympia Capital Management, a Paris-based investment house specializing in managed risk investments.

Others argue that the concept of accepting risk to achieve reward is still little understood by the average investor. "People have a somewhat contradictory attitude to risk," said Jean Saint-Gours, chairman of the COB. "They are prepared to accept it, so long as they win." He pointed to the first round of privatizations in 1986, which turned out to be a bonanza

for subscribers. Then came the crash of 1987.

"It was a cold shower after the great enthusiasm shown for the first privatization," said Pierre de Leusse, vice president of Paribas Asset Management. "The result is that there are still fewer French equity investors than there are in other developed countries."

Alain Hindie, head of the asset management division of Crédit Lyonnais in Paris, concurred: "Overall, I don't think attitudes are changing. The Balladur incentives are attractive, but the bulk of money is remaining in money market funds."

INSTITUTIONAL investors, however, are slightly more interested in risk-oriented investment, observed Mr. Hindie. "Although the big corporate investors are more cash-rich than before, because of prevailing economic conditions, there is an increasing tendency to commit money to SICAVs with a balanced portfolio of assets: mainly fixed- and floating-rate bonds." At Paribas, Mr. de Leusse has been using the strategy of "the intermediate step" to entice investors toward risk investment. His company has launched two funds that use options and futures to enhance performance, while guaranteeing a certain income level.

"If investors accept that their holding might be volatile for the first six months, we offer to beat the benchmark bond rate by 2 percent," he said. "If they accept a year's volatility, we offer to beat it by 4 percent."

The consensus view is that if investing patterns do not change now, when conditions appear to favor equity investment, they may not do so for some time. "We have ideal conditions now," said Mr. de Leusse. "Low inflation, low interest rates, and share markets moving ahead. Investors can now look at international share markets and see what they would have gotten elsewhere."

MARTIN BAKER is editor of the International Herald Tribune's Money Report.

ART BUCHWALD

Crash, Bang, Choke

WASHINGTON — TV violence is now having its 15 minutes of fame. Legislators are ranting and raving about it. Hollywood is crying censorship, and no one has any idea what to do to cool the tube.

Congress is interested because nobody can disarm a street gang these days, but you can always take a TV license away from a station that features blood and guts on the screen.

What has never been publicized is that all the violent shows on television are written by two men — Moose Wentzel and Roy Jones. For years they have been turning out program after program, all of which feature shooting, killing, rape and torture — not necessarily in that order.



Buchwald

Moose told me that writing violent shows for television was not difficult as people think. "We started in this business in October 1964, writing a show called 'Crash, Bang, Choke.' It was the story of a gang of kids from Mann County who hold a priest, a minister and a rabbi hostage while they kill a policeman, a schoolteacher and a halfback on the college football team. In the end the three clergymen set the gang members on fire and the bad guys all fall to their deaths from the Golden Gate Bridge."

"It was a big smash," Roy said. "After it came out and gained a 70 share of the audience, whenever network executives discussed new shows they would say, 'Give us

more like 'Crash, Bang and Choke.' So we wrote another violent series using most of the elements of the first one."

"They liked it so much that we were asked to write yet another one. This time, instead of a car crash we used a speedboat chase on the Central Park reservoir. We also substituted the villain being churned up in a cement mixer for a scene of him being pushed under a train on the Eighth Avenue subway."

"It sounds as if you guys are really creative," Moose shrugged his shoulders. "Writing violent shows is easy: providing you have a good knowledge of what the special effects department can do. Straight shooting with a gun is old hat. Garroting a victim is still good, and if you can have one person standing on another's head under water you have a winner."

"Do either of you pay any attention to the plot?"

"Not if we can help it," Roy said. "Violent TV is not something for intellectuals. The people who watch it seem to be attracted by how much bodily harm the characters can inflict on each other. The funny thing is that when it comes to violence, it's easy to fool adults but you can't fool children. They know when you're faking it."

"I notice that all the stories you tell are very similar. Do you do that on purpose?"

"We don't have time to write a new plot every time. But we are expected to create new methods of mayhem. For example, in the script we're writing now, our victim is killed by a baseball bat thrown at his head. Everyone thinks that the pitcher did it when in fact it was the umpire behind the home plate. No one is wise to this except a kid who sells beer in the stands. He is about to yell out the name of the killer when he is shot from the press box by the umpire's lover, a sports writer named Tina Trowbridge. Our chase scene takes place around the bases with cops finally filling the villain full of lead at home plate."

"Of course, this is just the outline," Roy explained. "We'll jazz it up with material from our other violent shows because the program directors get mad if we don't provide the right amount of action."

The \$3.83 Million Envelope

Reuter

ZURICH — The so-called "crown jewel of philately," an envelope with two stamps sent from Mauritius to Bordeaux in 1847, was sold Wednesday for 3.7 million Swiss francs (about \$3.83 million, including commission), a record for the largest existing collection of 19th-century issues, put together by the Japanese philatelist Hiroyuki Kanai over a 40-year period.

The Many Lives of Kieu Chinh

By Seth Mydans

New York Times Service

LOS ANGELES — For Kieu Chinh, acting out the most wrenching scene in the film "The Joy Luck Club" — when her character has to embrace twin daughters one last time, then abandon them forever — was reliving the greatest trauma of her own childhood.

Before the scene was shot, Wayne Wang, the director of "The Joy Luck Club," led Chinh to a tree at the foot of a mountain in China and draped his coat over her shoulders for a moment to shelter her from gusts of wind and cold rain. "Think of anything in the past," Chinh recalls the director telling her. "Say anything in Vietnamese that you want to say." Then he left her in front of the camera.

"And I called out, 'Con ơi! Oh, my child!'" Chinh said. "It was the last thing I heard my father call out to me when I was a girl and he left me, when he cried and he left me."

Chinh, a quietly elegant woman of 54, has twice suffered great personal loss. She was once the most popular film actress in Vietnam, but recently she has been, like so many other Vietnamese, an obscure refugee. Now, 18 years after fleeing her country, she hopes that her portrayal of Suyuan, the mother of the central character in "The Joy Luck Club," will be the beginning of a revival of her acting career.

In the film, she plays a woman who is forced by war and disease to abandon two babies, and who does not live long enough to see those children again. In life, Chinh was sent to safety by her father when she was 15. He died before she saw him again.

That first loss came with the partition of Vietnam in 1954, when her father, a widower, pushed her onto a plane that was flying south to Saigon. He remained in Hanoi to search for her brother, who had joined the resistance. She was cared for by friends, she said, and waited daily for word from her family, which did not come.

"That scene was like a flashback for me," she said of the parting in "The Joy Luck Club." "It was my own life, only now I was the parent and I could feel the pain my father felt."

Within three years of parting with her father, Chinh had appeared in several films, and over the next two decades she had major roles in many more. She was voted most popular actress at the Asian Film Festival in Taipei in 1972.

Her second loss came with the fall of Saigon in 1975, when she fled on the last commercial flight to join her three children, who were already abroad. The reunification of the country offered the hope that she would one day see her father again, but he died in 1978, having been sick and poor and out of reach of her help.

Sitting with her feet folded under her in a



The Vietnamese actress portrays Suyuan in "The Joy Luck Club."

small, immaculate home in Studio City where she lives alone, Chinh spoke recently of the hardships she shares with other refugees: the interrupted life, the struggle to start again, the loss of a cultural context for one's life and work.

"For Vietnamese in America, the biggest expense now is telephone bills," said Chinh, who has not been back to Vietnam. "There is nothing left in our lives but our loved ones." And the Vietnamese diaspora has scattered across the United States and around the world.

"Especially, I see many artists and writers, how hungry they are that they cannot create in the most effective period in their lives," she said. Here, Chinh has had a number of small parts and has worked as a consultant for movies and television filming scenes about Vietnam. But she said her life has been one of frustration, waiting to be recognized in even a small way, after a life of celebrity in Vietnam.

"It is unfortunate for me that I was born in a war and grew up in a war," she said. "I lived more than half my life in a war and the other half uprooted from my land. You become a stranger here, a completely unknown stranger. So the best years of your life are wasted."

In Hollywood, Chinh has played small roles as a Korean, a Chinese and a Cambodian. She is currently playing a Japanese woman in a workshop presentation at the Brook-

lyn Academy of Music of the play "Sansho the Bailiff," written by Terrence Malick and directed by Andrzej Wajda.

"Isn't it amazing that I haven't had a good Vietnamese part yet?" she said. "If it was a story based on true feelings, a real story, I would know how so easily."

The woman Chinh wants to portray, she said, is the sort of woman who appeared in photographs sent frequently during the war: the grieving survivor, holding her straw hat above her head and keeping over the body of a child or a husband.

"This is what so many women have experienced in my country in the last 40 years, that poor little piece of land that has been the scene of war all the time, the place the world has chosen for its wars," Chinh said.

She recognizes that the world has turned a page and moved its attention away from Vietnam, Chinh said, but the stories she wants to tell are universal. "They don't belong to one country any more, one nationality or one generation," she explained.

Chinh has a lifetime of experience, grief and perseverance to offer. "I'm so frustrated, sometimes, that I cannot do anything," she said. "I just sit here and wait. It's the frustration of the performing artist, that you have so much to share, so much to express, but you have to wait."

PEOPLE

Camillagate Revisited

Face to face: Princess Diana found herself sitting close to Camilla Parker Bowles, the woman at the center of the Prince Charles love-tape scandal, when they both attended a memorial service. "Diana's worst headache back again," screamed the Sun. "First it's a migraine attack, then she bumps into Camilla." Diana, who had cut short an official engagement the evening before pleading a migraine attack, was attending the memorial service for the Earl of Westmorland. Parker Bowles was with her husband, Andrew, Charles was not at the service. Royal watchers said the two women had not been under the same roof for more than a year — since before the Camillagate scandal erupted over tapes of an alleged intimate chat between Parker Bowles and Charles.

Italians paid their last respects Wednesday to Federico Fellini, whose work embodied the country's rags-to-riches postwar generation. Thousands gathered outside the funeral at St. Mary of the Angels church in Rome, and millions watched a live television broadcast. The country's political leaders attended the funeral as well as several of Fellini's leading actors, including Anselmo Alesandri, and fellow directors, including Michelangelo Antonioni and Franco Zeffirelli.

Fellini's wife of 50 years and leading lady, Giuletta Masina, arrived with his sister Maddalena. Outside, thousands of people — nuns, tourists, policemen, office workers and retirees — milled around behind barricades in a scene reminiscent of Fellini films. A painter who identified himself as Carluccio held a portrait of the director gesturing over a camera. He said he once offered it to Fellini, but the director told him, "Take it to my funeral."

The veteran journalist William W. Marsh has been named president of Radio Free Europe/Radio Liberty, based in Munich. Marsh succeeds Gene Pell, who resigned last month after eight years as president. Marsh was previously executive vice president of the stations, which were consolidated in 1976.

Barbra Streisand will be performing two rare concert performances, on New Year's Eve and New Year's Day, at a new resort in Las Vegas.

Michael Jackson postponed a concert in Mexico City so he could recover from a dental operation, organizers said. The concert is to be given on Tuesday.

Sam Neill, who stars in "Jurassic Park" and "The Piano," has been named Entertainer of the Year in his native New Zealand.

Boxing gloves autographed by Sylvester Stallone, an autographed bat from Cylis Shepherd and a guitar from the band Aerosmith will be auctioned off in Houston on Nov. 22 to raise money for Midwest food victims. Proceeds will go to Operation Heartland, which has donated about \$130,000 to food banks, farmer-advocacy groups and homeless outreach projects.

Talk about changing images: The TV anchorman Dan Rather celebrated his 62d birthday — on Hal-

loween — by baying at the moon, a Texas newspaper says. He and about 80 others — including Lady Bird Johnson — attended a party in Austin, Texas, and as the Halloween moon rose, some of the guests demanded that everyone start baying, according to the Austin American-Statesman. All — including a reluctant Rather — obeyed.

Growing up in New Orleans may have deprived Harry Connick Jr. of more than holiday snowfalls. He needed several takes before he correctly sang the reindeer names during the introduction to "Rudolph the Red-Nosed Reindeer" at a taping of his first network TV special. The singer-songwriter also forgot a verse of "Sleigh Ride" and had a stagehand fetch the lyrics to "Away in a Manger" and "Hark! The Herald Angels Sing." Connick made it harder on himself by doing without cue cards. For the record, Rudolph's friends are: Dasher, Dancer, Prancer, Vixen, Comet, Cupid, Donner and Blitzen.

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loween — by baying at the moon, a Texas newspaper says. He and about 80 others — including Lady Bird Johnson — attended a party in Austin, Texas, and as the Halloween moon rose, some of the guests demanded that everyone start baying, according to the Austin American-Statesman. All — including a reluctant Rather — obeyed.

WEATHER

Forecast for Friday through Sunday, as provided by Accu-Weather.

Europe

	Today	Low	High	Tomorrow	Low	High
Algeria	16/6	13/5	20/12	16/6	13/5	20/12
Amsterdam	16/6	13/5	20/12	16/6	13/5	20/12
Antwerp	16/6	13/5	20/12	16/6	13/5	20/12
Athens	16/6	13/5	20/12	16/6	13/5	20/12
Birmingham	16/6	13/5	20/12	16/6	13/5	20/12
Bombay	16/6	13/5	20/12	16/6	13/5	20/12
Boston	16/6	13/5	20/12	16/6	13/5	20/12
Buenos Aires	16/6	13/5	20/12	16/6	13/5	20/12
Burgundy	16/6	13/5	20/12	16/6	13/5	20/12
Calcutta	16/6	13/5	20/12	16/6	13/5	20/12
Cardiff	16/6	13/5	20/12	16/6	13/5	20/12
Chicago	16/6	13/5	20/12	16/6	13/5	20/12
Cincinnati	16/6	13/5	20/12	16/6	13/5	20/12
Cleveland	16/6	13/5	20/12	16/6	13/5	20/12
Columbus	16/6	13/5	20/12	16/6	13/5	20/12
Dallas	16/6	13/5	20/12	16/6	13/5	20/12
Denver	16/6	13/5	20/12	16/6	13/5	20/12
Detroit	16/6	13/5	20/12	16/6	13/5	20/12
Fort Worth	16/6	13/5	20/12	16/6	13/5	20/12
Frankfurt	16/6	13/5	20/12	16/6	13/5	20/12
Geneva	16/6	13/5	20/12	16/6	13/5	20/12
Hamburg	16/6	13/5	20/12	16/6	13/5	20/12
Helsinki	16/6	13/5	20/12	16/6	13/5	20/12
London	16/6	13/5	20/12	16/6	13/5	20/12
Los Angeles	16/6	13/5	20/12	16/6	13/5	20/12
Madrid	16/6	13/5	20/12	16/6	13/5	20/12
Mannheim	16/6	13/5	20/12	16/6	13/5	20/12
Moscow	16/6	13/5	20/12	16/6	13/5	20/12
Munich	16/6	13/5	20/12	16/6	13/5	20/12
New York	16/6	13/5	20/12	16/6	13/5	20/12
Oakland	16/6	13/5	20/12	16/6	13/5	20/12
Orlando	16/6	13/5	20/12	16/6	13/5	20/12
Paris	16/6	13/5	20/12	16/6	13/5	20/12
Philadelphia	16/6	13/5	20/12	16/6	13/5	20/12
Pittsburgh	16/6	13/5	20/12	16/6	13/5	20/12
Rome	16/6	13/5	20/12	16/6	13/5	20/12
San Francisco	16/6	13/5	20/12	16/6	13/5	20/12
Seattle	16/6	13/5	20/12	16/6	13/5	20/12
St. Louis	16/6	13/5	20/12	16/6	13/5	20/12
Stockholm	16/6	13/5	20/12	16/6	13/5	20/12
San Diego	16/6	13/5	20/12	16/6	13/5	20/12
Taipei	16/6	13/5	20/12	16/6	13/5	20/12
Tokyo	16/6	13/5	20/12	16/6	13/5	20/12
Washington	16/6	13/5	20/12	16/6	13/5	20/12
Yokohama	16/6	13/5	20/12	16/6	13/5	20/12

North America

	Today	Low	High	Tomorrow	Low	High
Alaska	16/6	13/5	20/12	16/6	13/5	20/12
Arizona	16/6	13/5	20/12	16/6	13/5	20/12
California	16/6	13/5	20/12	16/6	13/5	20/12
Colorado	16/6	13/5	20/12	16/6	13/5	20/12
Connecticut	16/6	13/5	20/12	16/6	13/5	20/12
Delaware	16/6	13/5	20/12	16/6	13/5	20/12
District of Columbia	16/6	13/5	20/12	16/6	13/5	20/12
Florida	16/6	13/5	20/12	16/6	13/5	20/12
Georgia	16/6	13/5	20/12	16/6	13/5	20/12
Hawaii	16/6	13/5	20/12	16/6	13/5	20/12
Idaho	16/6	13/5	20/12	16/6	13/5	20/12
Illinois	16/6	13/5	20/12	16/6	13/5	20/12
Indiana	16/6	13/5	20/12	16/6	13/5	20/12
Iowa	16/6	13/5	20/12	16/6	13/5	20/12
Kansas	16/6	13/5	20/12	16/6	13/5	20/12
Kentucky	16/6	13/5	20/12	16/6	13/5	20/12
Louisiana	16/6	13/5	20/12	16/6	13/5	20/12
Maine	16/6	13/5	20/12	16/6	13/5	20/12
Maryland	16/6	13/5	20/12	16/6	13/5	20/12
Massachusetts	16/6	13/5	20/12	16/6	13/5	20/12
Michigan	16/6	13/5	20/12	16/6	13/5	20/12
Minnesota	16/6	13/5	20/12	16/6	13/5	20/12
Mississippi	16/6	13/5	20/12	16/6	13/5	20/12
Missouri	16/6	13/5	20/12	16/6	13/5	20/12
Montana	16/6	13/5	20/12	16/6	13/5	20/12
Nebraska	16/6	13/5	20/12	16/6	13/5	20/12
Nevada	16/6	13/5	20/12	16/6	13/5	20/12
New Hampshire	16/6	13/5	20/12	16/6	13/5	20/12
New Jersey	16/6	13/5	20/12	16/6	13/5	20/12
New Mexico	16/6	13/5	20/12	16/6	13/5	20/12
New York	16/6	13/5	20/12	16/6	13/5	20/12
North Carolina	16/6	13/5	20/12	16/6	13/5	20/12
North Dakota	16/6	13/5	20/12	16/6	13/5	20/12
Ohio	16/6	13/5	20/12	16/6	13/5	20/12
Oklahoma	16/6	13/5	20/12	16/6	13/5	20/12
Oregon	16/6	13/5	20/12	16/6	13/5	20/12
Pennsylvania	16/6	13/5	20/12	16/6	13/5	20/12
Rhode Island	16/6	13/5	20/12	16/6	13/5	20/12
South Carolina	16/6	13/5	20/12	16/6	13/5	20/12
South Dakota	16/6	13/5	20/12	16/6	13/5	20/12
Tennessee	16/6	13/5	20/12	16/6	13/5	20/12
Texas	16/6	13/5	20/12	16/6	13/5	20/12
Utah	16/6	13/5	20/12	16/6	13/5	20/12
Vermont	16/6	13/5	20/12	16/6	13/5	20/12
Virginia	16/6	13/5	20/12	16/6	13/5	20/12
Washington	16/6	13/5	20/12	16/6	13/5	20/12
West Virginia	16/6	13/5	20/12	16/6	13/5	20/12
Wisconsin	16/6	13/5	20/12	16/6	13/5	20/12
Wyoming	16/6	13/5	20/12	16/6	13/5	20/12

Latin America

Middle East						
	Today			Tomorrow		
	High C/F	Low C/F	W	High C/F	Low C/F	W
Berut	25/27	18.8/31	+	26/29	19-26	+
Baghdad	29/32	17/35	+	31-38	18-26	+
Damascus	27/32	17/34	+	24/28	12-25	+
Jerusalem	22/21	11/58	+	23/32	16-21	+
Luxor	31/28	12/55	+	36-37	14-24	+

Latin America						
	Today			Tomorrow		
	High C/F	Low C/F	W	High C/F	Low C/F	W
Buenos Aires	33/31	20/58	pc	26/29	16-23	+
Caracas	31/38	24/75	pc	31-38	18-28	+
Lima	32/31	18/62	+	31/32	15/70	+
Mexico City	22/21	11/62	pc	22/21	10-21	+
Port of Spain	26/29	19/66	+	27/30	16-24	+